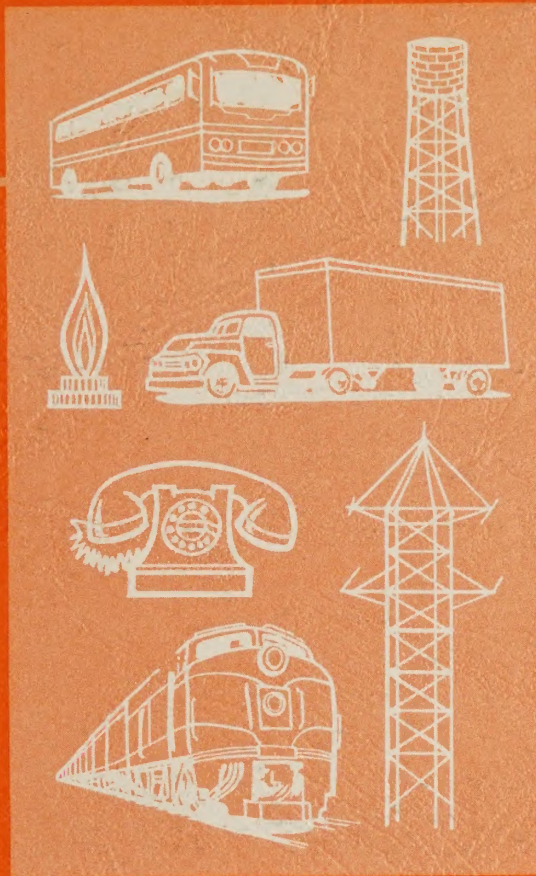


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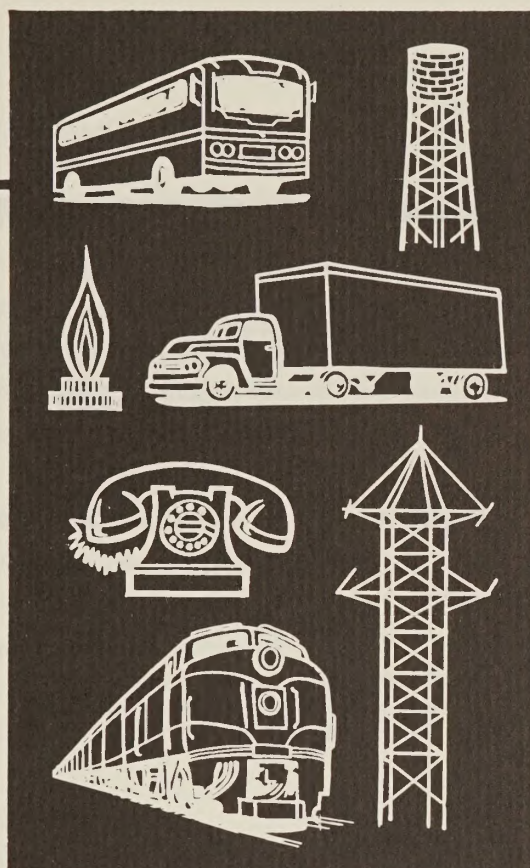
North Carolina Utilities Commission

SIXTH STATISTICAL AND ANALYTICAL

Report

DATA THROUGH

1970



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SIXTH STATISTICAL AND ANALYTICAL

Report

DATA THROUGH

1970

LETTER OF TRANSMITTAL

June 1, 1972

The Honorable Robert W. Scott
The Governor of North Carolina
Raleigh

Dear Governor Scott:

We hereby present for your consideration the
Sixth Statistical and Analytical Report made
pursuant to Section 17 of the Public Utilities Act
of 1963 (G.S. 62-17).

Respectfully submitted,

Harry T. Westcott, Chairman
John W. McDevitt, Commissioner
Marvin R. Wooten, Commissioner
Hugh A. Wells, Commissioner
Miles H. Rhyne, Commissioner

Prepared by
North Carolina Utilities Commission
Division of Accounting and Economic Research
P. O. Box 991—Raleigh, N. C. 27602

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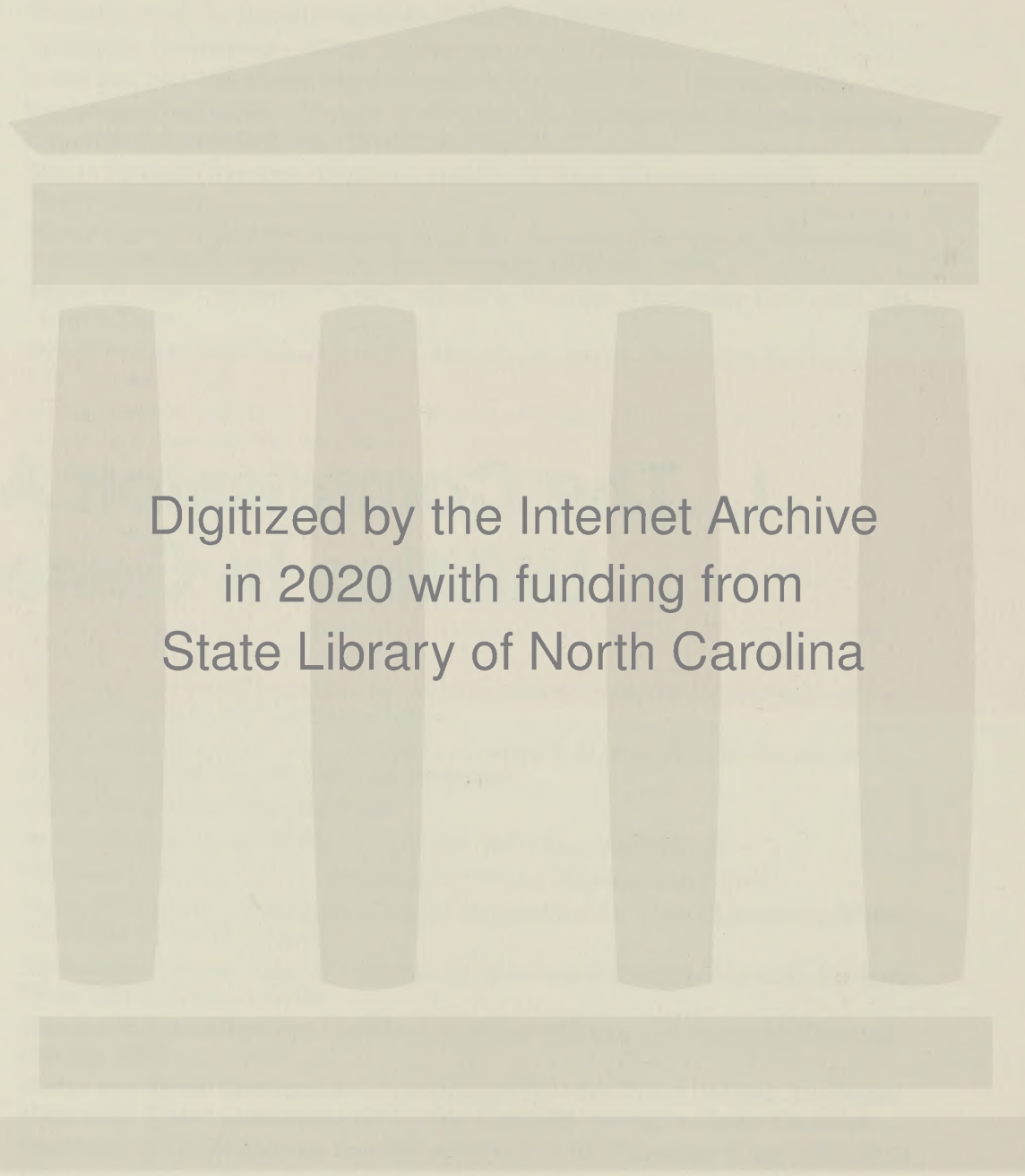
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I. The Commission And Utilities In General



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NORTH CAROLINA UTILITIES COMMISSION

Commissioners & Supervisory Personnel
as of January 1, 1972

Commissioners

Harry T. Westcott, Chairman

John W. McDevitt
Commissioner

Marvin R. Wooten
Commissioner

Miles H. Rhyne
Commissioner

Hugh A. Wells
Commissioner

Staff Members

Chief Clerk

Deputy Clerk

Commission Attorney

Division of Budget & Personnel

Division of Accounting & Economic Research

Division of Engineering

Division of Motor Transportation

Division of Traffic & Rail Transportation

Mrs. Katherine M. Peele

Anne Olive

Edward B. Hipp

Margaret E. Corbett

Joseph W. Smith

Robert K. Koger

Eugene A. Hughes, Jr.

I. H. Hinton

FIGURE NO. 1

NORTH CAROLINA UTILITIES COMMISSION—ORGANIZATION CHART

January 1, 1971



NORTH CAROLINA UTILITIES COMMISSION

HIGHLIGHTS OF ACTIVITIES

1970 vs. 1969

	Electric Class A 1969	1970	% Change	Gas Class A & B 1969	1970	% Change	Telephone All Classes 1969	1970	% Change
(DOLLARS IN THOUSANDS)									
REVENUES & EXPENSES (N. C. only)									
Operating Revenues	\$423,568	\$ 471,800	11.4	\$ 87,265	\$ 98,517	12.9	\$ 318,084	\$ 343,260	7.9
Operating Expenses	355,664	387,266	8.9	75,111	84,952	13.1	259,472	277,035	6.8
Net Operating Income	\$ 67,904	\$ 84,534	24.5	\$ 12,154	\$ 13,565	11.6	\$ 58,612	\$ 66,225	13.0
PLANT (N. C. only)									
Plant in Service	\$2,069,916	\$2,488,154	20.2	\$203,561	\$220,298	8.2	\$1,102,134	\$1,270,005	15.2
Accumulated Depreciation	483,951	531,566	9.8	36,650	41,397	13.0	240,542	271,674	12.9
Net Plant in Service	\$1,585,965	\$1,956,588	23.4	\$166,911	\$178,901	7.2	\$ 861,592	\$ 998,331	15.9
CAPITAL STRUCTURE (Systemwide)									
Capital Stock & Surplus	\$1,403,822	\$1,772,582	26.3	\$ 70,438	\$ 80,677	14.5	\$1,842,940	\$2,143,010	16.3
Long Term Debt	1,784,780	2,168,664	21.5	126,945	143,161	12.8	1,044,275	1,363,555	30.6
Total Capital Structure	\$3,188,602	\$3,941,246	23.6	\$197,383	\$223,838	13.4	\$2,887,215	\$3,506,565	21.5
OTHER STATISTICS (N. C. only)									
Total Customers—Yearly Average	1,205,806	1,243,389	3.1	246,693	262,286	6.3			
Average No. KWH's (Electric) or MCF's (Gas)									
Used Per Residential Customer	8,994	9,695	7.8	123	116	(5.7)			
Average Revenue per KWH or MCF									
Per Residential Customer	\$ 1.70	\$ 1.65	(2.9)	\$ 1.25	\$ 1.32	5.6			
Total—Telephones in Service (Mains & Extensions)							2,133,680	2,290,713	7.4
Average No. of Calls per Phone (Local & Toll) ..							2,070	2,365	14.3

THE COMMISSION AND UTILITIES IN GENERAL

Historical Sketch of Development

The present North Carolina Utilities Commission evolved from the Railroad Commission which was created in 1891 by the General Assembly and was given authority to determine charges made for services rendered by railroads, steamboat or canal companies, express and telegraph companies.

The major changes occurring in the North Carolina regulatory field since 1891 are in chronological order as follows:

- 1893—Telephone industry brought under regulation.
- 1897—Street railways brought under regulation.
- 1899—Railroad Commission abolished and the North Carolina Corporation Commission created. The North Carolina Corporation Commission was given general supervision of railroads, steamboat navigation and canal companies, express and telegraph and telephone companies, building and loan associations, banks, and sleeping car companies.
- 1900—The Corporation Commission's duties enlarged to encompass general supervision over tax listers and tax assessors.
- 1905—Supervision of building and loan associations transferred to State Insurance Commissioner.
- 1913—Electric light, power, water, and gas companies, excluding municipally owned, came under regulation.
- 1925—Capital Issues Law administered by the Corporation Commission. Motor vehicle common carriers of persons and property over regular or specified routes brought under regulation.
- 1931—Transfer of banking department to the Commissioner of Banks.
- 1933—The Corporation Commission abolished the office of Utilities Commissioner created with two associate commissioners.
- 1937—Administration of Capital Issues Law transferred to Secretary of State.
- 1941—The North Carolina Utilities Commission established consisting of three full-time members with six-year terms.
- 1947—Motor Vehicle common and contract carriers of property over irregular routes brought under regulation and regulation implemented.
- 1949—Bus Act of 1925 replaced and jurisdiction over common and contract carriers of passengers, regular and irregular routes, expanded. Membership increased to five commissioners and a technical staff of engineers, accountants, and directors of transportation added.
- 1963—The utility laws of North Carolina updated and rewritten.

1965—Electric Membership Corporation brought under limited jurisdiction of the Utilities Commission relating to assignment of service and promotional payments.

1967—The following amendments to the General Statutes 62 known as the Public Utilities Act are of significance to the public and the regulatory agency.

- a. Initiation of Cooperative Agreement in the enforcement of interstate motor carriers safety regulations with the Interstate Commerce Commission (GS 62-266).
 - b. Authorization for the Utilities Commission to collect same fees for registration of interstate authority and interstate vehicles as is charged intrastate carriers. (GS 62-300).
 - c. Authority to regulate the standards of safety for interstate natural gas pipelines passing through North Carolina (GS 62-41 and GS 62-43).
 - d. Change in appeal procedure of Utility Cases; they now go to the Court of Appeals rather than to the Superior Courts. (GS 62-90).
- 1969—The following amendments to the General Statutes 62 known as the Public Utilities Act are of interest to the general public and the regulatory agency:
- a. *Register ICC Exemptions.* Authorization for the Commission to require all interstate carriers to file copies of their respective interstate authority or register their *exempt* operation. The registration of the ICC exempt carriers for the first time is the significant feature of this act. (GS 62-266)
 - b. *Inspect Utility Affiliate Records.* Authorization for the Commission to inspect the books and records of corporations affiliated with public utilities regulated by the Commission, including parent corporations and their affiliates. (GS 62-51)
 - c. *Furnish False Information to the Utilities Commission; Failure to Furnish Information to Commission.* Action by legislature declaring it a misdemeanor for utilities under the jurisdiction of the Commission to furnish false information or for failure to furnish information on report forms furnished by the Commission. (GS 62-326)
 - d. *Radio Common Carriers.* Commission authority extended to grant Certificates of Public Convenience and Necessity to radio common carriers in areas where the landline telephone company has heretofore protested certificates of radio common carriers. (GS 62-120)

FIGURE NO. 2

UTILITIES REGULATED AND REPORTING TO THE
NORTH CAROLINA UTILITIES COMMISSION

Type of Utility or Service	Number as of December 31,						
	1963	1965	1966	1967	1968	1969	1970
Electric	14	13	13	13	12	12	12
Gas	8	7	7	7	7	5	5
Motor Freight Carriers by Type:							
Common Carriers	521	516	518	514	523	530	531
Contract Carriers	75	73	74	79	70	72	71
Common & Contract Carriers	15	20	22	24	24	22	22
Railroad Motor Freight Carriers	6	6	6	6	5	5	5
Total Motor Freight Carriers	617	615	620	623	622	629	629
Motor Passenger Carriers by Type							
Common Carriers	49	47	46	44	44	44	43
Contract Carriers	13	15	15	15	11	9	9
Leased Operations	6	6	5	5	5	3	3
Intracity Carriers	12	11	10	9	9	8	9
Total Motor Passenger Carriers	80	79	76	73	69	64	64
Motor Boat Common Carriers	1	2	2	2	2	3	3
Railroads	29	29	28	27	26	24	23
Transportation Brokers	2	4	4	4	4	5	5
Telephone	34	32	32	30	29	29	29
Telegraph	1	1	1	1	1	1	1
Water & Sewer	107	117	126	132	144	156	154
Total Utilities Under Regulation	893	899	909	912	916	928	925
Municipal Utility Systems required to File Annual Reports with North Carolina Utilities Commission:							
Electric	73	73	73	73	73	73	73
Gas	8	8	8	8	8	8	8
Telephone	1	1	1	1	1	1	1
Grand Total of Utilities Regulated or Required to File Reports	975	981	991	994	998	1,010	1,007

FIGURE NO. 3

TOTAL VOLUME OF PROCEEDINGS BROUGHT BEFORE THE COMMISSION
DURING THE CALENDAR YEAR ENDING DECEMBER 31, 1970
(Does not include Minor-type customer complaints settled
by Commissioners and Staff Personnel)

Division and Number of Proceedings

Item	Buses	Electric	Gas	Housing	Rail- roads	Tele- phones	Trucks	Water & Sewer	Western Union	Railway Express	Genl. Mis.	Grand Totals
Total Proceedings Before Commission	40	93	27	11	21	231	233	110	4	8	14	792
DISPOSITION OF PROCEEDINGS:												
1. Formal hearings held with Orders to follow ...	13	15	2	10	13	25	71	42	1	4	9	205
2. Conferences and informal hearings held with the following types of decisions resulting:												
a. Regular & letter type Orders and Rulings	18	59	25	0	0	203	142	54	3	4	0	508
b. Short form orders issued	2	0	0	0	6	0	16	0	0	0	0	24
3. Filings open as of 12/31/70:												
Rate Changes	1	2	0	0	1	1	4	2	0	0	0	11
Others	6	17	0	1	1	2	0	12	0	0	5	44
4. Total Proceedings Accounted for:	40	93	27	11	21	231	233	110	4	8	14	792
Per cent of Total Proceedings	5.1	11.7	3.4	1.4	2.6	29.2	29.4	13.9	.5	1.0	1.8	100.0
Number of Orders Appealed	0	1	0	0	0	1	0	0	0	0	0	2

Number of Companies Regulated

In 1970, for the first time in quite a few years, sales, mergers, abandonments, etc., increased at a rate faster than new companies being certified. At December 31, 1970, there were 1,007 companies regulated by the Utilities Commission, as compared with 1,010 in 1969. Another 82 operations, while not regulated by the Commission, were required to file reports with the Commission. While new companies were being certified, others were deleted from the list of regulated utilities because of sales, mergers, abandonments, etc. Many changes take place annually in the various utility groups, but the net result for 1970 was the merger, sale or abandonment of one (1) railroad and two (2) water and sewer companies. Motor transportation, motor freight, and telephone utilities remained the same.

Commission Case Load: Formal and Informal Hearings

In addition to the multiplicity of decisions made informally by the Commission in conferences with its staff and interested parties and the many small complaints and inquiries disposed of daily by individual Commissioners and individual staff heads through correspondence, by telephone, and personal discussion with utility customers, executives, and various representatives, organizations, associations, and persons, the Commission maintains a full docket of formal and semi-formal hearings and conferences.

During 1969 there were 737 docketed proceedings, and during 1970 there were 792. Of these total proceedings, 174 in 1969 and 205 in 1970 were disposed of through formal hearings procedures before either the full Commission, divisions of it, or examiners assigned by the Chairman. As has been historically the record, motor freight transportation matters accounted for the largest number of cases formally heard and decided in 1969 and 1970. Water and sewer matters accounted for the second largest number of formally disposed of cases, and telephone matters were third. The number of cases disposed of formally do not necessarily require the greatest amount of time. Recently the general rate cases involving the telephone companies have required more time in formal hearings than any other single group of regulated companies.

As shown on Figure No. 3, many docketed issues are settled by letter type orders and rulings. These are largely matters in which no one has intervened or no general public interest has been demonstrated as in the cases of many telephone, electric, and transportation tariff filings. These types of proceedings accounted for 65% of the total docketed proceedings before the Commission in 1969, and 64% in 1970.

Another important facet of the Commission and its staff workload involves the handling of customer complaints dealing with all aspects of utility operations and services. A vast majority of these

complaints are settled without becoming a docketed item and going into formal hearing proceedings.

Motor Transportation Division Duties Enlarged

Intrastate

This department is charged with the economic and safety regulation of all certified motor freight and motor passenger carriers operating within the borders of the State. In addition, all motor freight carriers transporting commodities classified as exempt by the Commission are subject to the Commission's Motor Carrier Safety Regulations.

The Motor Transportation Department administers and enforces the Commission's insurance requirements applicable to all for-hire motor carriers except the intrastate exempt freight carriers. The insurance requirements for this latter segment of the industry are administered and enforced by the N. C. Department of Motor Vehicles.

All applications for new authority grants, transfers of certificates and the cancellations of certificates are handled through this department, as are all complaints relating to the quality of passenger and freight service or to the lack of it.

At December 31, 1970 approximately 725 motor freight and motor passenger carriers holding certificates of public convenience and necessity from the N. C. Utilities Commission were providing service to North Carolinians. In addition, several thousand small truck operators were engaged in transporting commodities classified as exempt from economic regulation.

Motor carriers are required to register all tractors and trailers with this department annually. If the motor carrier is in full compliance with this Commission's insurance requirements and other regulations, certification is then made to the N. C. Department of Motor Vehicles that the carrier is eligible to purchase license plates for the registered vehicles.

During 1970, approximately 28,000 tractors and trailers were registered with this Commission.

Interstate

The regulations of this Commission require that all for-hire motor carriers operating in interstate commerce over the highways of this state be registered with this Commission; that the vehicles of such carriers be registered with this Commission annually, and that the vehicles be identified with an NCUC identification stamp on the uniform cab card when operating in North Carolina.

At December 31, 1970 approximately 4,500 interstate motor carriers were registered with this Commission. During 1970, approximately 130,000 interstate vehicles were registered and a like number of NCUC identification stamps were issued for these vehicles.

The interstate carriers are subject to the same insurance requirements as are the intrastate motor carriers, and all interstate carriers are subject to the Motor Carrier Safety Regulations of the Commission.

**SUMMARY OF THE SOURCES AND EXPENDITURES
ADMINISTERED BY THE COMMISSION THROUGH ITS
DIVISION OF BUDGET AND PERSONNEL
Fiscal Year Ended June 30, 1970**

Sources	AMOUNTS		
	1968	1969	1970
General Fund Appropriation	\$401,383.86	\$503,701.16	\$497,812.84
Other Receipts:			
State Highway Commission	192,581.51	215,465.06	226,560.07
Fees Collected	67,477.60	75,245.64	139,738.70
Sale of Equipment	254.51	2,355.53	321.00
Sale of Publication	288.00	291.00	288.00
Transfers & Reimbursement	25,111.00	0	34,470.60
	<u>\$687,096.48</u>	<u>\$797,058.39</u>	<u>\$899,191.21</u>
Expenditures by Objects:			
Salaries and Wages	\$586,940.44	\$583,564.11	\$686,447.51
Supplies and Material	10,611.31	8,276.20	12,711.89
Postage, Telephone & Telegraph	10,810.77	15,680.05	17,183.63
Travel Expense	19,583.20	19,004.00	28,588.37
Printing and Binding	11,428.35	4,059.28	9,018.44
Motor Vehicle Operation	7,596.16	7,480.31	7,816.99
Repairs & Alterations	1,069.59	7,134.51	1,507.97
General Expense	18,528.72	21,706.06	11,458.47
Insurance & Bonding	471.26	325.00	345.78
Equipment	1,411.82	72,804.50	40,665.17
Purchase of Cars	2,370.21	4,836.52	—0—
Contribution to Retirement System	10,832.31	11,556.84	60,001.94
Contribution to Social Security	5,442.34	6,419.01	23,445.05
Imprest Cash	0	34,212.00*	—0—
	<u>\$687,096.48</u>	<u>\$797,058.39</u>	<u>\$899,191.21</u>

* Transfer to Fiscal Year 1969-1970 for Deferred Obligations.

**GENERAL IMPACT OF REGULATION
AND REGULATED UTILITIES IN 1970**

Economic Effects

The over 900 regulated utility companies in North Carolina made significant contributions to the economy of the state during 1970. Figures No. 4, 5, 6 and 7 portray the magnitude of the contributions in chart and table form. Employment by the utilities continued to increase, rising from 70,666 in 1969 to 71,931 in 1970, an increase of 1.8%. The percent of total employment by utilities of the grand total of all insured workers employed in North Carolina remained constant at 5.3% for the years 1967 through 1970.

Salaries and wages paid these employees increased in dollar amount from over \$525 million in 1969 to over \$563 million in 1970, an increase of 7.2%.

Taxes paid by the regulated sector of the state's business community continued to be substantial and maintained about the same share of the state totals of these taxes as prevailed in prior years.

Tax	Percent of State Totals		
	1968	1969	1970
State Income (Domestic and Foreign Corporations Only) ...	10.7%	10.0%	9.3%
State Franchise Taxes	70.5	73.7	79.3
Bus, Truck and Franchise Fees ..	29.3	29.2	27.9
Local Property Taxes	8.2	8.5	8.3
Composite Total of Above Taxes ..	17.0%	17.2%	16.9%

Concurrent with the continuing increases in number of employees, wages, and taxes paid by the regulated utilities, gross operating revenues increased in 1970 over 1969. Figure No. 6 depicts this growth.

Investment in gross plant allocated to North Carolina by the electric, gas, and telephone utility companies continued to increase over prior years by 15.1% in 1969, and by 17.9% in 1970, with a total gross plant allocated to North Carolina almost to the four billion mark (\$3,978,457,320) at December 31, 1970. (See Figure No. 7.) This additional plant investment will serve the increasing number of electric and gas customers that numbered 1,505,675 in 1970 as compared with 1,452,499 in 1969 and the increased number of telephones in service that rose from 2,133,680 in 1969 to 2,290,713 in 1970.

The regulated motor freight industry and the railroads play an important role in moving raw and finished materials and supplies in and out of our

state. Both of these groups of utility companies had increases in gross operating revenues for 1969 and 1970. The motor freight industry increased its vehicle miles operated in North Carolina substantially, while the tons of freight originating with the railroads in North Carolina continued to show a good gain over 1968 and 1969.

The motor passenger carriers operating in North Carolina experienced some financial operating difficulties, as the trend continued in people using public transportation less than previous periods for commuting to and from work and utilizing other forms of transportation for travel in general. Number of passengers carried decreased in 1970 over 1969, both intercity and intracity.

FIGURE NO. 4
IMPACT OF REGULATED UTILITIES
ON THE ECONOMY OF NORTH CAROLINA
1964, 1966-1970
Utilities Per Cent of State Total

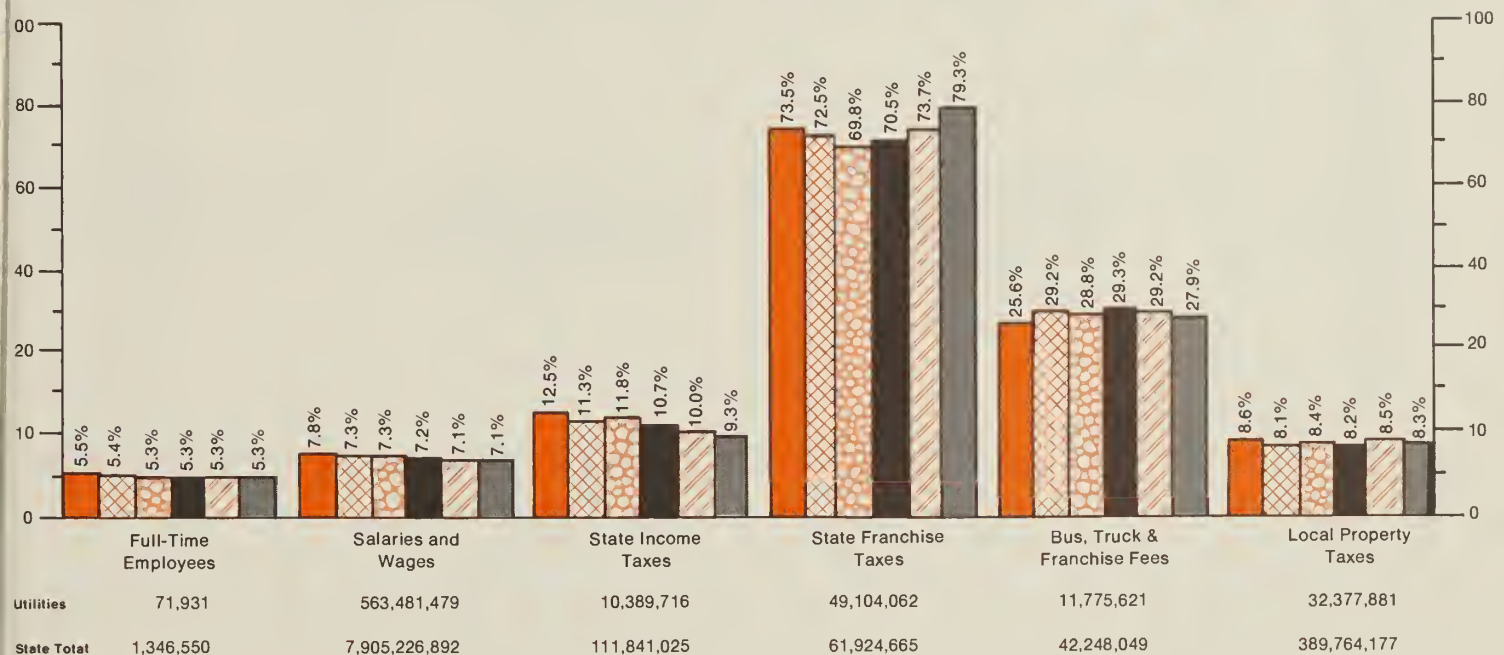
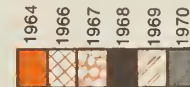


FIGURE NO. 5

Impact of Regulated Utilities On the Economy of North Carolina
Selected Statistics About Employment, Wages, and Certain Taxes
Paid Or Levied For The Years 1964, 1966-1970

Number of Full-time Employees (N. C. Portion Only)

Utility Group	1964	1966	1967	1968	1969	1970
Electric I	7,462	7,767	7,977	8,191	8,824	9,414
Gas	1,328	1,559	1,651	1,828	1,863	1,851
Telephone	11,563	13,530	14,561	15,219	16,526	17,791
Motor Freight Carriers	25,072 H	29,329 H	29,823 H	31,851 H	33,472 H	32,941 H
Motor Passenger Carriers	2,619 H	2,679 H	2,667 H	2,686 H	2,667 H	2,691 H
Railroads K	8,370	7,967	7,390	7,098	7,020	6,926
Western Union	274	326	293	298	294	317
Total Utilities	56,688	63,157	64,362	67,171	70,666	71,931
Total For State	1,026,708 F	1,174,724	1,211,605	1,271,382 F	1,333,349 F	1,346,550 F
Utilities % of State Total	5.5%	5.4%	5.3%	5.3%	5.3%	5.3%

Salaries and Wages Paid To N. C. Employees

Utility Group	1964	1966	1967	1968	1969	1970
Electric I	\$46,296,384	\$51,575,314	\$55,417,383	\$61,591,242	\$69,817,474	\$ 80,612,011
Gas	6,973,137	8,579,917	9,969,376	11,789,424	12,715,739	13,539,278
Telephone	62,613,645	74,645,061	82,027,988	93,946,245	108,143,449	121,531,154
Motor Freight Carriers	150,116,480 H	190,642,117 H	203,054,992 H	229,339,053 H	253,257,657 H	261,630,809 H
Motor Passenger Carriers	12,972,080 H	14,685,262 H	15,311,204 H	15,612,576 H	16,507,768 H	17,566,100 H
Railroads K	52,323,483	54,748,545	57,917,738	59,326,875	63,130,499	66,378,170
Western Union	1,411,000	1,833,183	1,842,380	1,855,156	2,005,604	2,223,957
Total Utilities	\$ 332,706,189	\$ 396,709,399	\$ 425,541,061	\$ 473,460,571	\$ 525,578,190	\$563,481,479
Total For State	\$4,280,588,046 F	\$5,406,396,620 F	\$5,844,448,815 F	\$6,617,384,935 F	\$7,380,667,831 F	\$7,905,226,892
Utilities % of State Total	7.8%	7.3%	7.3%	7.2%	7.1%	7.1%

Average Annual Compensation

Utility Group	1964	1966	1967	1968	1969	1970
Electric I	\$6,204	\$6,640	\$6,947	\$7,519	\$7,912	\$ 8,563
Gas	5,250	5,503	6,038	6,449	6,825	7,315
Telephone	5,415	5,517	5,633	6,173	6,544	6,831
Motor Freight Carriers	5,987	6,500	6,809	7,200	7,566	7,942
Motor Passenger Carriers	4,953	5,488	5,741	5,813	6,190	6,528
Railroads K	6,251	6,872	7,837	8,358	8,993	9,584
Western Union	5,145	5,623	6,288	6,225	6,822	7,016
Total Utilities	\$5,869	\$6,281	\$6,612	\$7,049	\$7,437	\$ 7,683
Total For State	\$4,169	\$4,603	\$4,824	\$5,205	\$5,535	\$ 5,871
Utilities % of State Total	140.8%	136.5%	137.1%	135.4%	134.4%	130.9%

Impact of Regulated Utilities On the Economy of North Carolina
Selected Statistics About Employment, Wages, and Certain Taxes
Paid Or Levied For The Years 1964, 1966-1970

Utility Group	1964	1966	1967	1968	1969	1970
Electric ¹	\$4,643,170	\$5,220,300	\$5,386,770	\$5,568,261	\$4,390,132	\$ 2,193,637
Gas	419,086	466,743	526,573	543,630	592,310	655,505
Telephone	3,243,988	3,832,940	4,091,823	4,362,215	4,785,034	4,450,948
Motor Freight Carriers	615,325	569,927 B	401,985	530,689 B	422,286 B	407,313 B
Motor Passenger Carriers	169,362 J	239,994 G	137,048	130,891 B	152,990 B	111,381 B
Railroads	546,000 B	531,574 B	602,102 B	633,948 B	612,938 B	498,798 B
Western Union	—0—	—0—	—0—	—0—	—0—	—0—
Total Utilities	\$ 9,636,931	\$10,861,478	\$11,146,301	\$ 11,791,723	\$ 10,933,591 A	\$ 8,317,582
Total For State	\$76,915,701 A	\$96,245,781 A	\$94,645,849 A	\$110,500,839 A	\$109,117,961	\$109,768,891
Utilities % of State Total	12.5%	11.3%	11.8%	10.7%	10.0%	7.6%

State Franchise Taxes (Gross Receipts or Privilege Taxes)

	1964	1966	1967	1968	1969	1970
Electric I	\$15,551,009 I	\$18,328,571	\$19,902,982	\$22,167,674	\$24,337,583	\$ 26,912,028
Gas	2,868,058	3,523,990	3,869,625	4,427,115	5,209,709	5,913,282
Telephone	8,402,736	10,141,543	11,045,227	12,278,330	13,799,340	14,967,767
Motor Freight Carriers	—	—	—	—	—	—
Motor Passenger Carriers	—	—	—	—	—	—
Railroads	1,076,205 B	1,158,845 B	1,218,081 B	1,232,088 B	1,256,196 B	1,281,143 B
Western Union	22,578 A	20,391 A	18,554 A	23,461 A	26,736 A	29,842 A
Total Utilities	\$27,920,586	\$33,173,340	\$36,054,469	\$40,129,068	\$44,629,614	\$ 49,104,062
Total For State	\$37,976,467 A	\$45,725,033 A	\$51,674,292 A	\$56,927,222 A	\$60,596,686	\$ 61,924,665 A
Utilities % of State Total	73.5%	72.2%	69.8%	70.5%	73.7%	79.3%

Bus, Truck and Franchise FeesC

	1964	1966	1967	1968	1969	1970
Electric ¹	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Gas	—	—	—	—	—	—
Telephone	—	—	—	—	—	—
Motor Freight Carriers	5,977,852	7,422,488	7,861,561	8,537,605	9,104,822	11,344,741
Motor Passenger Carriers	277,334	298,699	295,221	314,703	343,910	430,880
Railroads ^K	—	—	—	—	—	—
Western Union	—	—	—	—	—	—
Total Utilities	\$ 6,255,186	\$ 7,721,187	\$ 8,156,782	\$ 8,852,308	\$ 9,448,732	\$ 11,775,621
Total For State	\$24,462,835	\$26,482,308	\$28,349,135	\$30,178,494	\$32,343,478	\$ 42,248,049
Utilities % of State Total	25.6 %	29.2 %	28.8 %	29.2 %	29.2 %	27.9 %

Impact of Regulated Utilities On the Economy of North Carolina
Selected Statistics About Employment, Wages, and Certain Taxes
Paid Or Levied For The Years 1964, 1966-1970

Utility Group	1964	1966	1967	1968	1969	1970
Electric ¹	\$8,191,796	\$9,181,745	\$10,416,572	\$11,643,370	\$12,436,116	\$ 13,460,264
Gas	1,179,818	1,470,063	1,680,342	1,843,416	2,172,953	2,375,296
Telephone	5,282,222	6,559,704	7,686,876	8,704,782	10,250,643	11,775,455
Motor Freight Carriers	682,401	853,098	971,976	1,251,894	1,404,829	1,565,235
Motor Passenger Carriers	—	—	—	—	—	—
Railroads ²	3,532,996	2,782,223	2,855,340	2,226,913	3,143,904	3,157,813
Western Union	28,939	35,460	36,640	37,538	42,402	43,818
Total Utilities	\$ 18,898,172	\$ 20,882,293	\$ 23,647,746	\$ 25,707,913	\$ 29,450,847	\$ 32,377,881
Total For State	\$220,011,140	\$256,899,477	\$280,129,551	\$312,130,641	\$347,938,226	\$389,764,177
Utilities % of State Total	8.6%	8.1%	8.4%	8.2%	8.5%	8.3%

• State totals for domestic and foreign corporations only.

A Statement of the revenues of the General Fund for the fiscal years reported—from Department of Administration—Budget Division, 1967-1970:

B 1967-1970:

All Class I and II railroads operating within the state; all motor passenger carriers operating within the state; all motor freight carriers operating within the state; all Class I and II motor freight carriers operating within the state (Class III not used for 1967-1970 data)

the state (Olin
1966 and prior:

555 Class I—70 Class II—54 Class III motor freight carriers.

C From Motor Vehicles Department (state totals include bus and franchise taxes—truck and trailer plates—for hire plates.)

0 Computed from Tables 107 and 109—Statistics of Taxation—1966, N. C. Tax Research Department, 1964 data computed from Tables 111 and 120—Statistics of Taxation—1964 (fiscal year 1964-1965).

Taxation—1964 (fiscal year 1964-1965).
1967 and 1968; computed from Tables 101 and 103—Statistics of Taxation.

1967 and 1968: computed from Tables 101 and 103—Statistics of Taxation, 1969; computed from Tables 100 and 109—Statistics of Taxation—1969 and 1970.

E Table 106—Statistics of Taxation—(Fy 1964-1965) 1966 edition—N. C. Tax Research Department, 1966. Computed from Tables 105 and 106. Statistics of Taxation—1965 and 1970.

Table 100—Statistics of Taxation—(By 1964-1965) 1966 edition—U. S. Tax Research Department, 1964 data—Table 110—Statistics of Taxation—1964 (fiscal year 1964-1965).

1968 and 1967 data from Department of Tax Research.

1969 and 1970: Statistics of Taxation (Tax Research) Fig. 98.

Table 1, page XVII, "Insured Employment and Wage Payments" for years reported state totals are for all industries with insured employment (76% of the state's non-agricultural employment is insured)

Tables 50 and 61—Statistics of Taxation—

Tables 30 and 31—Statistics of Taxation—1966 edition—N. C. Tax Research Department.
Tables 1968 & 1969 edition.

Table 1, Industry Groups 4

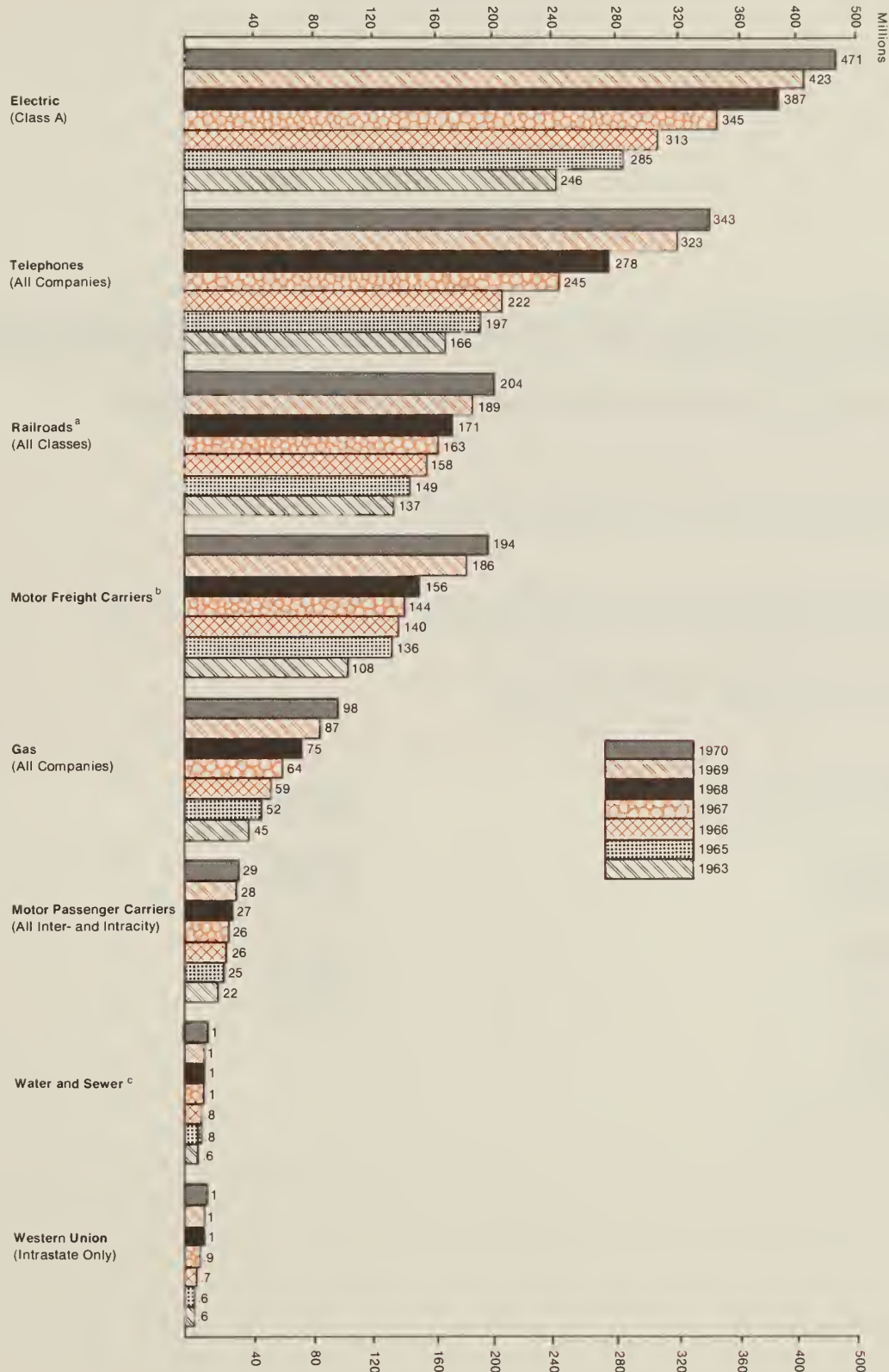
specific years.

Class A only.

J Estimate based on total net collections for the fiscal year ended June 30, 1965 (Statistics of Taxation, 1964 Tables 33, 63 and 65).

FIGURE NO. 6

GROSS OPERATING REVENUES OF THE MAJOR UTILITIES IN NORTH CAROLINA
For The Calendar Years Of 1963, 1965-1970
(Actual \$)



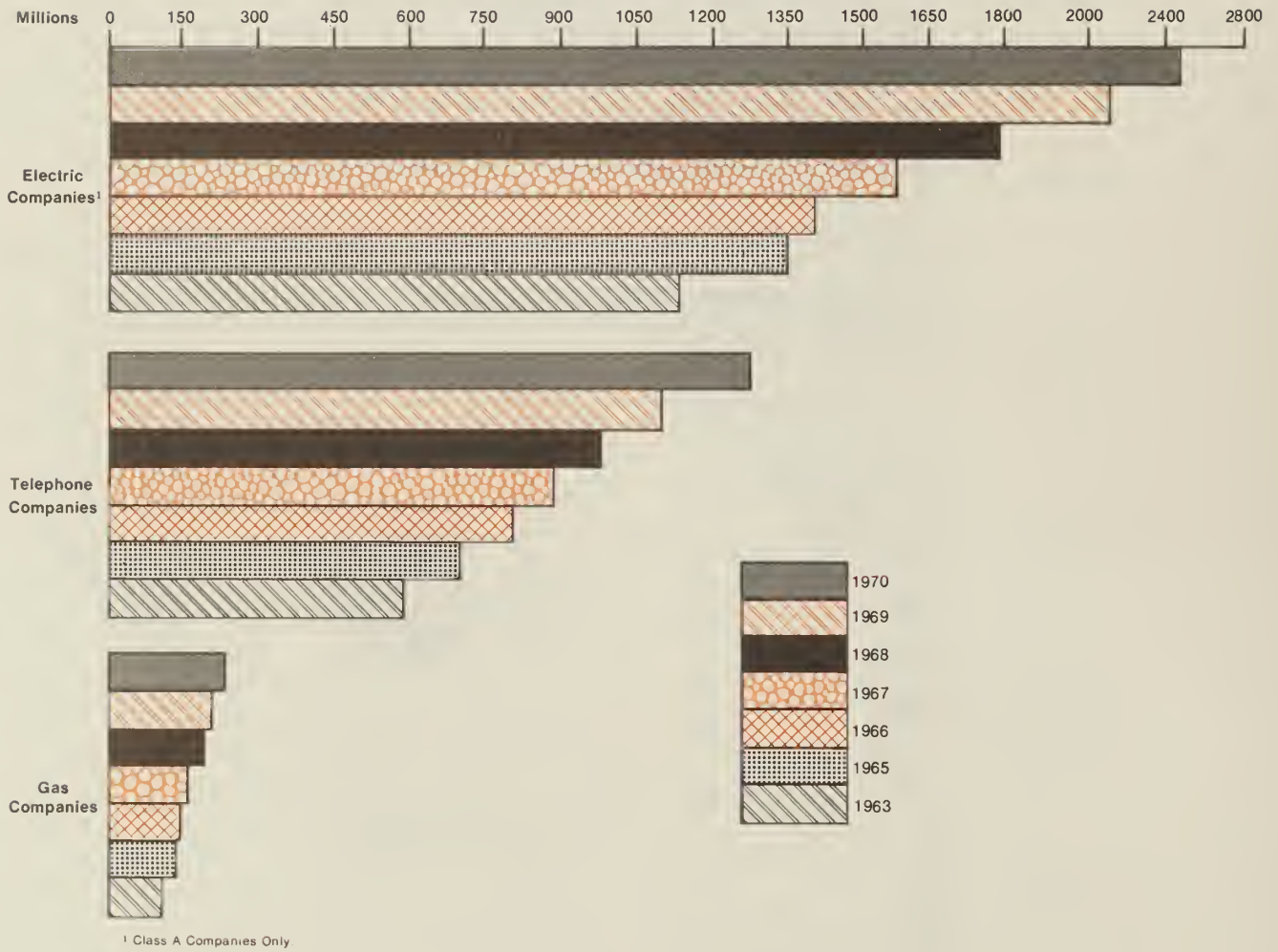
a 1963 and 1964 totals restated to reflect division of Carolina and Northwestern revenues between North Carolina and Total System

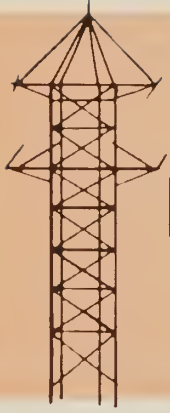
b For 1963—1966: Classes I, II, and III. For 1967 and all future years: Classes I and II.

c For 1963—1966: 34 of the larger companies.

For 1967, 1968, 1969, and 1970: 27 of the larger companies.

FIGURE NO. 7
GROSS PLANT ALLOCATED TO NORTH CAROLINA COMPANIES
ELECTRIC—GAS—TELEPHONE
For The Years 1963, 1965-1970
(Actual \$)





II. The Electric Power Industry

POWER COMPANIES—CLASS A

December 31, 1970

Officers

CAROLINA POWER AND LIGHT COMPANY, RALEIGH, NORTH CAROLINA

Organized: April 6, 1926.

President: Shearon Harris, Raleigh, North Carolina.

Secretary: R. S. Mallison, Raleigh, North Carolina.

Service (For North Carolina): Electric.

States Served: North Carolina and South Carolina.

DUKE POWER COMPANY, CHARLOTTE, NORTH CAROLINA

Organized: May 1, 1917.

President: Carl Horn, Charlotte, North Carolina.

Secretary: J. D. Hicks, Charlotte, North Carolina.

Service (For North Carolina): Electric, Water, Bus.

States Served: North Carolina and South Carolina.

NANTAHALA POWER AND LIGHT COMPANY, FRANKLIN, NORTH CAROLINA

Organized: July 23, 1929.

President: William T. Walker.

Secretary: W. W. Sloan, Franklin, North Carolina.

Service: Electric.

State Served: North Carolina.

VIRGINIA ELECTRIC AND POWER COMPANY, RICHMOND, VIRGINIA

Organized: June 29, 1909.

President: T. Justin Moore, Jr.

Vice-Chairman of the Board: John M. McGurn

Vice-President and North Carolina Manager: A. L. Jameson, Williamston, North Carolina.

Secretary: Ralph Kilday, Richmond, Virginia.

Service (For North Carolina): Electric.

States Served: North Carolina, Virginia, West Virginia.

POWER COMPANIES—Class C & D

Towns Served

Crisp Power Company, (Edgecombe County)
Inc. Rural

Davenport Power & (Edgecombe-Wilson
Light Company Counties) Rural

Domestic Electric (Edgecombe County)
Service, Inc. Rural

Laurel Hill Electric Laurel Hill, N. C.
Company

Pamlico Power & Light Engelhard, N. C., and
Co., Inc. vicinity

Pinehurst, Inc. Pinehurst, N. C.

Roselle Lighting
Company

(Rowan County) Rural

Rocky Mount Mills

(Nash County) Rural

MUNICIPAL ELECTRIC SYSTEMS AND SOURCE OF POWER

Municipality

Source of Power

Albemarle
Apex

Duke Power Company
Carolina Power & Light
Company

Ayden
Belhaven

Greenville
Virginia Electric and
Power Company
Carolina Power & Light
Company

Benson

Wilson
Duke Power Company
Southeastern Power
Administration

Black Creek
Bostic

Duke Power Company
Carolina Power & Light
Company

Cherryville
Clayton

Duke Power Company
Duke Power Company
Duke Power Company
Duke Power Company
Duke Power Company

Concord
Cornelius
Dallas
Davidson
Drexel
Edenton

Virginia Electric and
Power Company
Virginia Electric and
Power Company

Elizabeth City

Wilson
Virginia Electric and
Power Company
Carolina Power & Light
Company

Elm City
Enfield

Carolina Power & Light
Company

Farmville

Duke Power Company
Farmville
Carolina Power & Light
Company

Fayetteville
Forest City
Fountain
Fremont

Duke Power Company
Duke Power Company
Virginia Electric and
Power Company

Gastonia
Granite Falls
Greenville

Virginia Electric and
Power Company
Virginia Electric and
Power Company

Hamilton

Duke Power Company
Nantahala Power and
Light Company

Hertford

Scotland Neck
Carolina Power & Light
Company

High Point
Highlands

Duke Power Company
Duke Power Company
Carolina Power & Light
Company

Hobgood
Hookerton

Huntersville
Kings Mountain
Kinston

La Grange	Carolina Power & Light Company
Landis	Duke Power Company
Laurinburg	Carolina Power & Light Company
Lexington	Duke Power Company
Lincolnton	Duke Power Company
Louisburg	Carolina Power & Light Company
Lucama	Wilson
Lumberton	Carolina Power & Light Company
Macclesfield	Wilson
Maiden	Duke Power Company
Monroe	Duke Power Company
Morganton	Duke Power Company
Murphy	TVA
New Bern	Carolina Power & Light Company
Newton	Duke Power Company
Oak City	Edgecombe-Martin Electric Membership Corporation
Pikeville	Carolina Power & Light Company
Pine Tops	Wilson
Pineville	Duke Power Company
Red Springs	Carolina Power & Light Company
Robersonville	Virginia Electric and Power Company
Rocky Mount	Carolina Power & Light Company
Scotland Neck	Virginia Electric and Power Company
Selma	Carolina Power & Light Company
Sharpsburg	Rocky Mount
Shelby	Duke Power Company
Smithfield	Carolina Power & Light Company
Southport	Carolina Power & Light Company
Stantonsburg	Wilson
Statesville	Duke Power Company
Tarboro	Virginia Electric and Power Company
Wake Forest	Carolina Power & Light Company
Walstonburg	Wilson
Washington	Virginia Electric and Power Company
Waynesville	Carolina Power & Light Company
Wilson	Carolina Power & Light Company
Windsor	Virginia Electric and Power Company
Winterville	Greenville

THE ELECTRIC POWER INDUSTRY

There are four major electric utilities (i.e., companies with \$2,500,000 or more annual gross oper-

ating revenues) and eight small electric companies in North Carolina under the regulation of the North Carolina Utilities Commission. The Four major or Class A companies serve over 99% of the customers receiving regulated service in the state. These Class A companies provide this service either directly or as suppliers of electric energy on a wholesale basis to fifty-eight (58) cities and towns. There are also thirty (30) cooperatives, four (4) independently-owned distribution companies, and four (4) publicly owned distributing companies throughout the state that are served by the electric utilities under Commission jurisdiction that serve the customers of North Carolina. There are five (5) cooperatives whose headquarters are in other states, but who serve small portions of North Carolina.

Nantahala Power and Light Company, Franklin, North Carolina, is the only Class A company operating solely within North Carolina. Although it qualifies as a Class A utility, due to annual operating revenue just over 5 million dollars, its service area and number of customers served are small as compared to the other three Class A companies. Approximately 40% of Nantahala's revenue and 70% of its kilowatt-hour sales come from commercial and industrial customers—the percentage varies according to the level of hydrogeneration. ALCOA has an aluminum operation at Alcoa, Tennessee, which utilizes all of Nantahala's energy generating potential not required for its North Carolina customers. Nantahala's entire electric generation of power is by hydro-electric facilities. The geographic location and the current makeup of its customers place Nantahala in a different position from the other major power companies in the state, especially in the areas of providing generating capacity and meeting the competition of other sources of energy for residential heating and commercial and industrial uses.

CUSTOMER GROWTH

The four (4) major electric utilities experienced a customer growth rate in 1970 of 3.1% over 1969. The net customer increase was 37,583 in 1970, for a total of 1,243,389 average number of customers in 1970.

The minor electric companies' customers increased 4.5% in 1970 with a total of 10,273 customers receiving service as of December 31, 1970. An average of 1,253,662 customers were served by the electric utilities in 1970, an increase of 3.1% over 1969.

ANNUAL CUSTOMER USAGE

The annual usage of KWH per residence customer for 1970 was 9,695 KWH. This represents an increase of 7.8% over the 1969 annual usage of 8,994 KWH. The 1970 figure compares to about 6,896 KWH nationally per residential customer for the same year. (See Figure No. 9.)

A study of residential electric customers for North Carolina cities with population of 50,000 or more for the period 1960-1970 reveals that these

North Carolina customers used a far greater number of kilowatt hours annually per customer than customers in cities of similar size throughout the United States. North Carolina's per customer resi-

dential consumption exceeds the national average for the same period.

Following is a table reflecting the results of this usage study:

AVERAGE ANNUAL RESIDENTIAL CUSTOMER KWH USAGE

(Class A & B Privately Owned Utilities Only)

	1960	1967	1968	1969	1970
N. C.—Statewide Average	5,204	7,503	8,266	9,105	9,918
N. C.—Charlotte & Raleigh (A)	6,039	8,288	9,317	10,195	11,037
S. C.—Columbia & Charleston (B)	5,271	7,380	8,444	8,939	9,613
U. S. Average	3,464	5,220	5,706	6,246	6,896
N. C. (Charlotte & Raleigh) higher than:					
S. C.—Columbia & Charleston	14.6%	12.3%	10.3%	14.1%	14.8%
U. S. Average	74.3%	58.8%	63.3%	63.2%	60.0%

(A) Charlotte served by Duke Power Company; Raleigh by Carolina Power & Light (Average of the two used).

(B) Columbia & Charleston served by South Carolina Electric and Gas Company (Average of the two used).

FIGURE NO. 8

ELECTRIC COMPANIES—CUSTOMER GROWTH
(North Carolina Data Only)
For the Years 1963, 1965-1970

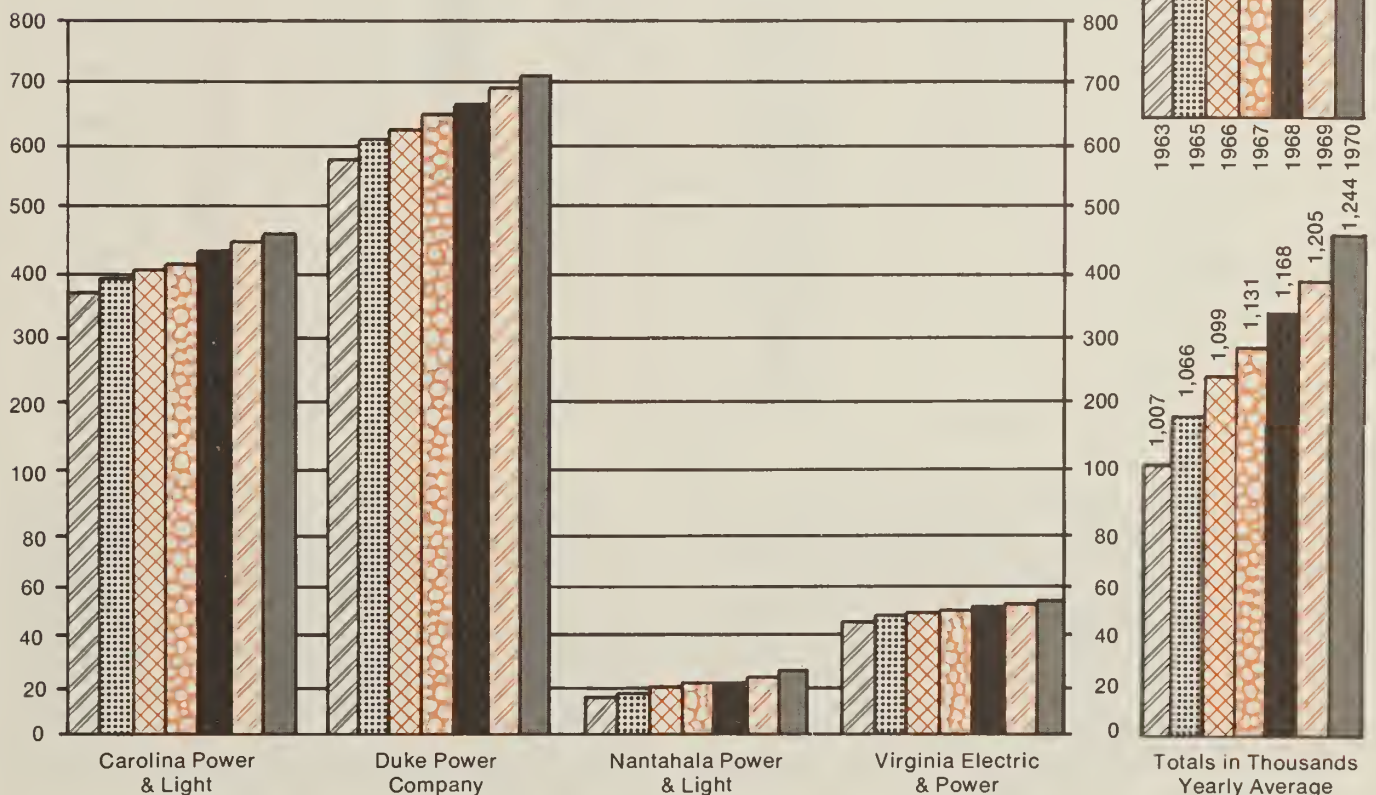
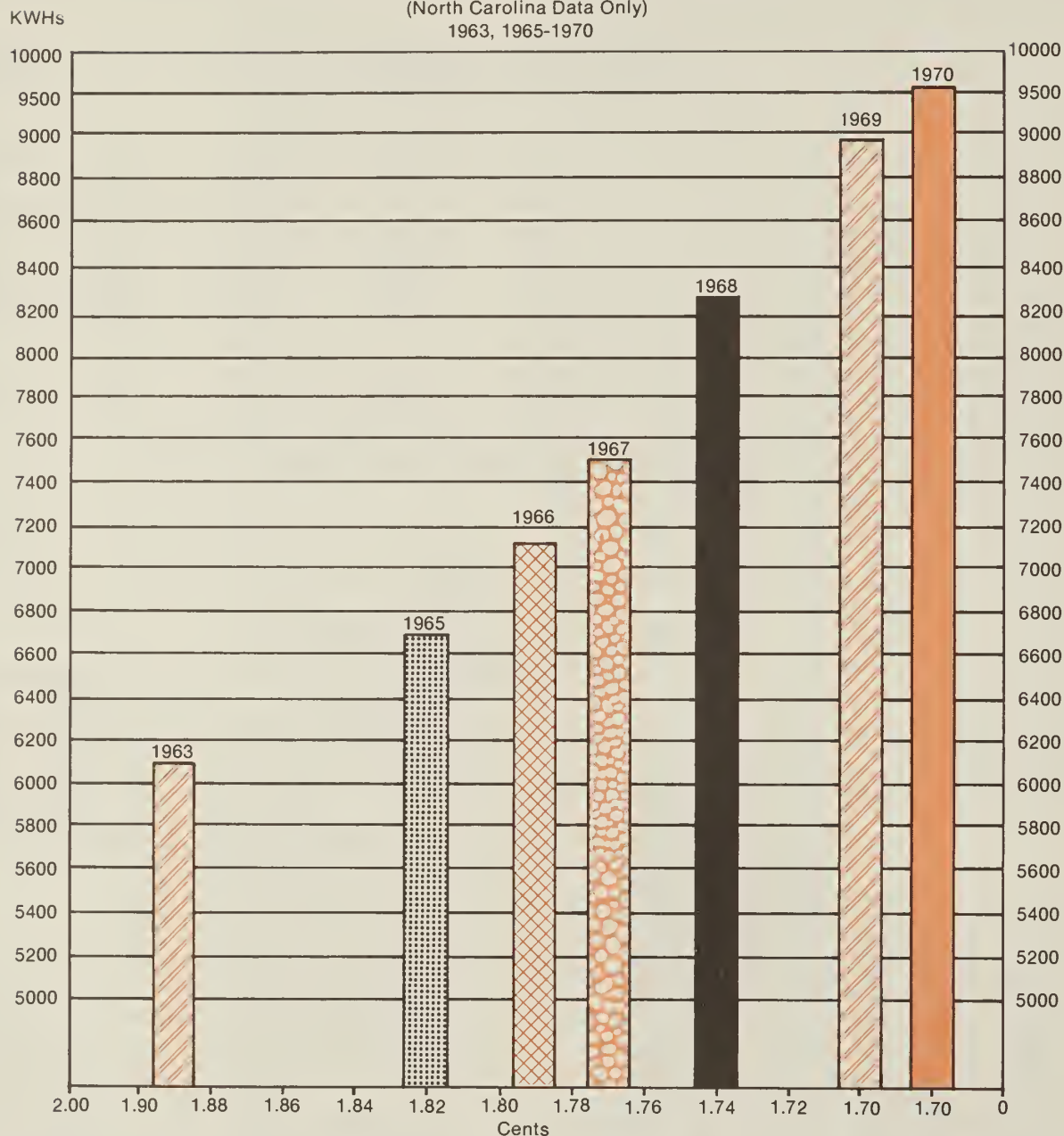


FIGURE NO. 9

RESIDENTIAL ELECTRIC SERVICE—CLASS A COMPANIES
Average Annual Usage and Average Price of 1 KWH
(North Carolina Data Only)
1963, 1965-1970



The average monthly use of electricity (750 KWH) by North Carolina residential customers of Class A companies, who constitute about 85.8% of the total of regular electric utility customers in the state is one of the highest in the nation. It is generally recognized that there is a direct correlation between the greater residential usage in North Carolina, compared to national usage, and the average charge per kilowatt hour in North Carolina. This average charge, at \$1.70, is 22.7% less than the national average of \$2.20* cents per residential kilowatt hour of usage.

The phenomenal growth of total electric homes in North Carolina has contributed greatly to the high average residential KWH usage, as indicated in Figure No. 9. The regulated power companies have very successfully promoted electric heating and air conditioning as well as the expansion of other electrical appliances. The following table reflects the growth, by companies, of the total electric homes and the average annual KWH usage.

*FPC—"Statistics of Electric Utilities in the United States, 1970 Privately owned," Table 16, p XXXIII.

TOTAL ELECTRIC HOMES

Class A Companies
1960, 1963-1970
N. C. Data Only*

	C. P. & L.	Duke	VEPCO	Totals	% Increase
1960	928	3,279	150	4,357	NA
1963	5,663	13,979	479	20,121	361.8
1964	8,904	19,258	698	28,860	43.4
1965	13,014	25,763	999	39,776	37.8
1966	17,896	34,260	1,343	53,499	34.5
1967	23,323	43,957	1,657	68,937	28.9
1968	29,866	55,731	1,957	87,554	27.0
1969	36,762	69,104	2,384	108,250	23.6
1970	43,912	82,893	2,888	129,693	19.5

TOTAL ELECTRIC HOMES

Average Annual KWH Usage
1964-1970

	C. P. & L.	Duke	VEPCO
1964	18,603	19,252	21,175E
1965	18,959	19,171	21,175
1966	19,801	20,331	22,250
1967	19,763	20,257	21,170
1968	21,490	20,351	21,180
1969	22,725	20,297	21,250
1970	23,057	20,649	21,190

* Data for Nantahala not available
E Estimated

ELECTRIC BILLS: COMPARISONS OF RESIDENTIAL STATE MONTHLY AVERAGES

Comparing average monthly bills as of January 1, 1970, in North Carolina to the nine selected states of Alabama, California, Florida, Indiana, Maine, Michigan, Ohio, South Carolina and Virginia, the state is 2nd lowest at the 250 KWH consumption level, 3rd lowest at the 500 KWH

consumption level, and 3rd lowest at the 700 KWH consumption level.

The North Carolina electric utilities have company-wide rates for the respective residential, commercial, and industrial classes of customers. For example, the residential customer's bills will not vary between the small communities and the large where the volume of usage and load characteristics are the same and they are served by the same company.

FIGURE NO. 11

ELECTRIC GENERATING CAPACITY OWNED AND PURCHASED
WITH ELECTRIC GENERATING CAPACITY LOCATED IN NORTH CAROLINA SHOWN
(Unit of Measurement—Kilowatt)

Generating Capacity Owned—Maximum Name Plate Rating Used

Class A Companies	Steam					Gas Turbine				Hydroelectric				
	1960	1967	1968	1969	1970	1969	1970	1969	1970	1960	1967	1968	1969	1970
Carolina Power & Light Co.	1,047,500	2,038,045	2,695,045	2,695,045	2,695,045	228,600	308,092	219,600	219,600	226,600	219,600	219,600	219,600	219,600
Duke Power Company	2,829,000	3,820,000	3,820,000	5,154,000	5,366,125	335,000	229,000	870,638	870,638	498,162	870,638	870,138	868,175	867,875
Nantahala Power & Light Co.	—0—	—0—	—0—	—0—	—0—	NA	NA	99,460	99,460	99,460	99,460	99,460	99,460	99,460
Virginia Electric & Power Co.	2,045,140	3,934,630	3,934,630	4,627,330	4,627,330	262,388	350,108	135,775	300,190	288,240	288,240	288,240	288,240	278,000
Totals	5,921,640	9,792,675	10,449,675	12,476,375	12,688,500	825,988	887,200	959,997	1,489,888	1,477,438	1,477,438	1,475,475	1,464,935	(.7%)
Percent Increase (Decrease) ..	NA	15.9%	6.7%	19.4%	1.7%	116.1%	7.4%	NA	7.3%	(.8%)	(.1%)	74.5%	76.1%	
Generated in N. C.	NA	5,276,410	6,278,410	9,267,410	9,752,410	432,280	390,772	NA	1,162,168	1,150,218	1,098,695	1,114,395	1,114,395	76.1%
Per Cent of Total	NA	53.8%	60.1%	74.3%	76.9%	52.3%	44.0%	NA	78.0%	77.9%	74.5%	74.5%	74.5%	76.1%
Class A Companies	Generating Capacity Purchased *					Total Owned & Purchased **								
	1960	1967	1968	1969	1970	1960	1967	1968	1969	1970				
Carolina Power & Light Co.	310,000	374,000	386,000	153,000	629,000	1,584,100	2,631,645	3,382,245	3,296,245	3,851,737				
Duke Power Company	—0—	210,335	109,375	137,460	108,460	3,327,162	4,900,973	4,967,013	6,494,635	6,571,460				
Nantahala Power & Light Co.	—0—	—0—	—0—	—0—	—0—	99,460	99,460	99,460	99,460	99,460				
Virginia Electric & Power Co.	108,800	N.Apl.	N.Apl.	N.Apl.	N.Apl.	2,289,715	4,234,820	4,356,058	5,177,958	5,255,438				
Totals	418,800	584,335	495,375	290,460	737,460	7,300,437	11,866,898	12,804,776	15,068,298	15,778,095				
Percent Increase (Decrease) ..	NA	(.4)%	(15.2)%	(41.4)%	153.9	NA	13.2%	7.9%	17.7%	4.7%				
Generated in N. C.	NA	NA	NA	NA	NA	NA	6,439,778	7,560,908	9,351,233	9,995,037				
Percent of Total	NA	NA	NA	NA	NA	NA	54.3%	59.0%	62.1%	63.3%				

* Based on annual maximum demand
NA Not available
N. Apl. Not applicable
.. 1968-1970 Figures for Total Owned & Purchased includes amounts for Gas Turbines.
(A) Major portion of purchases from members of CARVA Pool—Contract demand for these purchases allocated by formula and figures are not shown in annual report.

GENERATING CAPACITY—TOTAL
AND WITHIN NORTH CAROLINA

Total owned and purchased generating capacity of the Class A electric companies serving in North Carolina for 1970 was 15,778,095 KW. This was

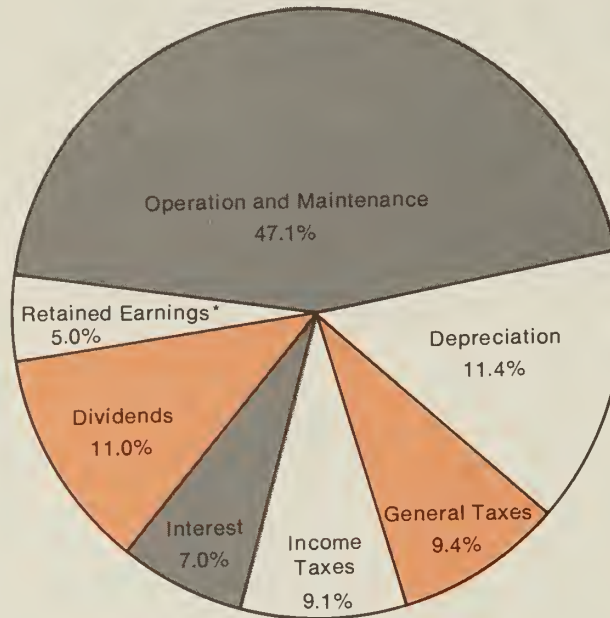
an increase of 4.7% over the 1969 total of 15,068,298 KW.

Generating capacity located within the boundaries of North Carolina accounted for 63.3% of total kilowatt capacity owned and purchased during 1970. (See Figure No. 11.)

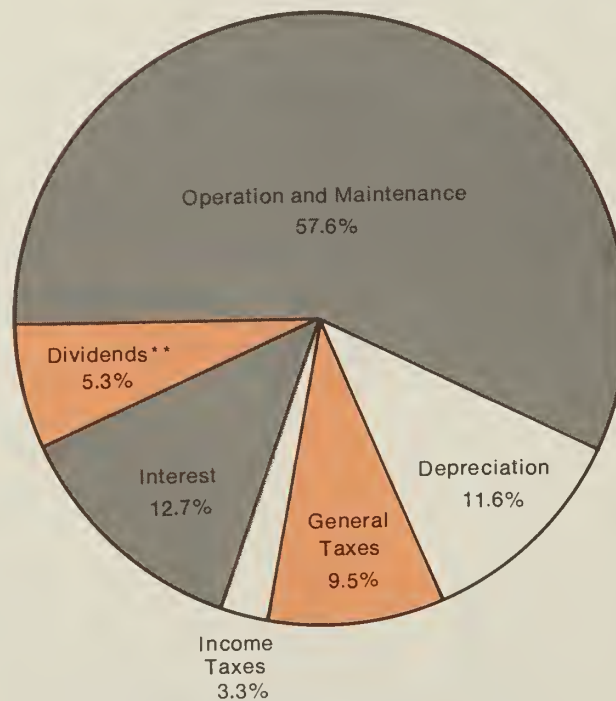
FIGURE NO. 12

**DISPOSITION OF THE REVENUE DOLLAR
ELECTRIC COMPANIES
North Carolina Class A Companies Only**

December 31, 1969



December 31, 1970



* Retained Earnings and Dividends per Revenue Dollar have no relation to the rate of return earned on investment.

**6.8% Additional Dividends were paid from Surplus of prior years making the 1970 total dividends paid equal to 12.1% for each dollar of operating revenue.

FIGURE NO. 13

ELECTRIC COMPANIES—CLASS A
 Energy Sales by Classes
 (North Carolina Data Only—Kilowatt Hours in Millions)
 For the Years 1960, 1964, 1966, 1967 through 1970



On bar chart, the figures will represent billions, but here they are expressed in millions.

FIGURE NO. 14

ELECTRIC COMPANIES—CLASS A, C, AND D
Summary of Selected Income, Expense, Balance Sheet, and Customer Statistics
For the Calendar Years 1960, 1967 through 1970
(N. C. and Systemwide Data as Indicated)

ITEM	CLASS A COMPANIES (\$2,500,000 or More Operating Revenues)					Per Cent Change—More (Less)		
	1960	1967	1968	1969	1970	1967 to 1968	1968 to 1969	1969 to 1970
No. of Companies Regulated and Included in this Data	4	4	4	4	4			
Income Items (N. C. Only):								
Residential Sales	\$83,380,000	\$129,818,319	\$144,137,528	\$158,733,530	\$ 176,631,437	11.0	10.1	11.3
Commercial Sales	37,704,100	67,315,953	75,687,288	83,818,104	95,309,938	12.4	10.7	13.7
Industrial Sales	48,897,200	91,387,987	100,546,955	107,773,781	118,277,097	10.0	7.2	9.7
Sales for Resale	20,791,800	44,401,128	52,893,680	57,112,861	65,207,325	19.1	8.0	14.2
All Other Operating Revenue	6,867,000	12,918,655	14,717,400	16,346,170	16,374,480	9.7	15.3	.2
Total Operating Revenue	\$197,640,100	\$345,842,042	\$387,466,308	\$423,784,446	471,800,277	12.0	9.4	11.4
Expense Items (N. C. Only):								
Operating and Maintenance	\$82,502,120	\$152,387,513	\$174,967,338	\$199,444,572	271,149,181	14.8	14.0	36.0
Depreciation and Amortization	22,972,500	38,974,943	42,819,724	48,173,894	54,665,592	9.9	12.5	13.5
Taxes: State Income	3,052,100	5,386,770	5,568,261	4,390,132	2,193,637	3.4	(21.2)	(50.0)
State Gross Receipts	11,592,062	19,902,982	22,167,674	24,337,583	26,912,028	11.4	9.8	10.6
Local Property	5,740,423	10,416,572	11,643,370	12,436,116	13,460,264	11.8	6.8	8.2
All Other Taxes	28,148,007	42,171,807	48,389,352	37,391,191	18,885,584	14.7	(22.7)	(49.5)
Total Taxes	48,532,592	77,878,131	87,768,059	78,555,022	61,451,513	12.7	(10.5)	(21.8)
Total Operating Expenses	156,810,312	269,240,587	305,557,022	326,260,366	387,266,286	13.5	6.8	18.7
Net Operating Revenue	40,829,788	76,601,455	81,909,286	97,524,080	84,533,991	6.9	19.1	(13.3)
Income Items (Systemwide):								
Operating Revenue	\$397,459,162	\$684,686,883	\$765,706,781	\$840,009,064	949,247,581	11.8	9.7	13.0
Operating Expense	309,887,923	518,915,817	589,556,215	640,757,273	751,909,078	13.6	8.7	17.3
Net Operating Revenue	\$ 87,571,239	\$165,771,066	\$176,150,566	\$199,251,791	197,338,503	6.3	13.1	(1.0)
Net Income (From all Sources)	70,066,182	127,807,075	133,876,907	145,934,387	148,191,480	4.7	9.0	1.5
Shares of Common Stock Outstanding—Year End	55,246,000	58,228,329	68,179,905	69,405,639	76,520,529	17.1	1.8	10.3
Average Earnings Per Share— Shares at Yr. End (After Preferred Stock Dividend)	\$ 1.17	\$2.01	\$1.78	\$1.88	1.62	11.4	5.6	(13.8)
Balance Sheet Items (N. C. Only):								
Utility Plant (Elec. Portion Only)	\$912,183,300	\$1,586,764,864	\$1,777,684,939	\$2,069,916,191	2,488,153,500	12.0	16.4	20.2
Depreciation Reserve	231,139,700	414,057,504	447,402,064	483,951,682	531,565,853	8.1	8.2	9.8
Net Utility Plant (Original Cost)	\$681,043,600	\$1,172,707,360	\$1,330,282,875	\$1,585,964,509	1,956,587,647	13.4	19.2	23.4
Balance Sheet Items (Systemwide):								
Long-Term Debt	\$737,334,000	\$1,313,080,000	\$1,426,830,000	\$1,734,780,000	2,168,664,322	8.7	21.6	25.0
Total Capitalization	1,476,165,839	2,473,154,079	2,707,404,235	3,188,602,202	3,941,246,468	9.5	17.8	23.6
Long-Term Debt % of Total Capitalization	49.9	53.1	52.7	54.4	55.0	(.8)	3.2	1.1
Statistics (N. C. Unless Otherwise Noted)								
Total Customers—Yearly Average	938,705	1,130,577	1,167,329	1,205,806	1,243,389	3.3	3.3	3.1
Avg. No. of Kilowatts Used per Residential Customer	5,204	7,503	8,266	8,994	9,695	10.2	8.8	7.8
Avg. Revenue per KWH— Residential Customer	1.96¢	1.77¢	1.74¢	1.70¢	1.65¢	(1.7)	(2.3)	(2.9)
No. of Employees Residing in N. C.	7,454	7,977	8,191	8,824	9,414	2.7	7.7	6.7
Wages & Salaries Paid N. C. Emp.	\$39,146,298	\$55,417,383	\$61,591,242	\$69,817,474	80,612,011	11.1	13.4	15.5
System Sales to Ultimate Consumers (KWH 000's)	24,601,101	47,012,001	53,242,710	58,877,392	64,081,883	13.3	10.6	8.8
System Sales For Resale (KWH 000's)	3,382,966	8,412,250	10,128,779	11,112,508	12,634,172	20.4	9.7	13.7
Total Sales To Ultimate Consumers and for Resale (KWH in 000's)	27,984,067	55,424,249	63,381,489	69,989,900	76,716,055	14.3	10.4	9.6

FIGURE NO. 14 (Continued)

ELECTRIC COMPANIES CLASSES A, C, AND D
Summary of Selected Income, Expense, Balance Sheet, and Customer Statistics
For the Calendar Years 1960, 1967 through 1970
(N. C. and Systemwide Data as Indicated)

ITEM	CLASS C & D COMPANIES (Companies With Operating Revenues Under \$1,000,000)					Per Cent Change—More (Less)		
	1960	1967	1968	1969	1970	1967 to 1968	1968 to 1969	1969 to 1970
No. of Companies Regulated and Included in this Data	11	8	8	8	8			
Income Items (N. C. Only):								
Total Operating Revenue	\$905,429	\$1,167,418	\$1,336,906	1,966,913	2,207,794	14.5	47.1	12.2
Expense Items (N. C. Only):								
Total Operating Expenses	\$760,162	\$1,018,508	\$1,140,570	1,641,162	1,808,167	12.5	43.9	10.2
Net Operating Revenue	145,267	148,910	194,139	325,751	399,627	30.4	67.8	22.7
Balance Sheet Items (N. C. Only):								
Utility Plant (Electric Portion Only) ...	\$1,745,933	\$2,424,480	\$2,908,480	3,112,631	3,342,495	20.0	7.0	7.4
Depreciation Reserve	580,856	1,009,535	1,114,251	1,054,215	1,442,091	10.4	(5.4)	36.8
Net Utility Plant (Original Cost)	\$1,165,077	\$1,414,945	\$1,794,229	2,058,416	1,900,404	26.8	14.7	(7.7)
Statistics—N. C., unless otherwise noted:								
Total Customers—Year End	7,207	7,564	7,936	9,830	10,273	4.9	20.4	4.5
Avg. Revenue Per KHW—								
Residential Customer	2.74¢	2.60¢	2.47¢	2.24¢	2.21¢	(5.0)	(9.3)	(1.3)
System Sales to Ultimate Consumers (KWH in 000's)	33,167	45,763	53,790	100,364	112,912	17.5	86.6	12.5

Carolina Power and Light Company placed its Robinson No. 2 unit, a 700 MW nuclear-steam generator unit located at Hartsville, South Carolina into commercial operation in March, 1970. This unit is the first nuclear unit brought into service by any of the four (4) major power systems, and others are scheduled in the near future.

STATISTICAL SUMMARY DATA

As can be seen from Figure No. 14, the total operating revenues for North Carolina operations of the Class A electric utilities increased 11.4% for 1970 over 1969. Total operating revenues for Class C & D (Companies with operating revenues under \$1,000,000) increased by 12.2% in 1970 over 1969.

Operating expenses for the Class A companies increased at a rate of 18.7% for 1970 over 1969, and the net operating revenue for 1970 decreased by 13.3% from 1969.

The smaller Class C & D companies operating expenses increased by 10.2% for 1970 over 1969, and the net operating revenue increased 22.7% for 1970 over 1969.

Earnings on shares outstanding at year end for

the Class A companies decreased in 1970 to \$1.62, a decrease of 13.8% over the 1969 figure of \$1.88.

Total salaries and wages paid North Carolina employees by the Class A companies for 1970 was \$80,612,011, an increase of 15.5% over 1969. In 1970, the number of employees residing in North Carolina was 9,414, compared with 8,824 in 1969.

The disposition of the 1969 and 1970 electric revenue dollar is shown by the two pie charts on Figure No. 12.

Operation and Maintenance expenses, which include the cost of fuel used in generation of electric energy, continued to consume the largest portion of the revenue dollar, requiring 58 cents in 1970 as compared with 47 cents in 1969. As shown below, the disposition of the revenue dollar did not change significantly over the five year period (1965-1969), but some changes occurred in 1970. Income taxes were reduced 6 cents due to reduction in net operating revenue (decrease in operating revenue and increase in operating expenses). Interest increased 6 cents due to the higher interest charges on borrowed money. These factors, coupled with a .1 cent increase in Dividends, led to a decrease of 7 cents in Retained Earnings for the period.

DISPOSITION OF THE ELECTRIC REVENUE DOLLAR 1965—1970

Item	Per Cent					
	1965	1966	1967	1968	1969	1970
Operation & Maintenance	41.9	43.3	44.0	45.2	47.1	57.6
Depreciation	11.3	11.3	11.3	11.0	11.4	11.6
General Taxes	9.2	9.4	9.4	9.3	9.4	9.5
Income Taxes	14.4	13.9	13.2	13.4	9.1	3.3
Interest	5.3	5.5	5.4	5.6	7.0	12.7
Dividends	11.5	11.7	12.0	11.2	11.0	12.1
Retained Earnings	6.4	4.9	4.7	4.3	5.0	(6.8)
Total (cents)	100.0	100.0	100.0	100.0	100.0	100.0

Class A companies total energy sales in North Carolina increased in 1970 over 1969 by 8.4%, reaching a total of 41 billion kilowatt hours in 1970. Figure No. 13 shows energy sales by class of customer for the years 1960, and 1964 through 1970.

The following table shows the percent of energy sales by class of customers for the years 1960, and 1967 through 1970. Also shown is the percent change for the total of all classes, 1970 over 1969.

Energy Sales by Class of Customers Millions of KWH's Sold and Per Cent of Totals

Class of Customer	1960	%	1967	%	1968	%	1969	%	1970	%
Residential	4,249	28.1	7,335	24.2	8,331	23.9	9,351	24.7	10,382	25.3
Industrial	5,368	38.8	11,195	36.9	12,409	35.7	13,372	35.2	14,054	34.2
Commercial	2,050	13.6	4,427	14.7	5,127	14.8	5,814	15.3	6,575	16.0
Other (Includes Sales for Resale)	2,960	19.5	7,312	24.2	8,868	25.6	9,398	24.8	10,102	24.5
Total	15,127	100.0	30,269	100.0	34,735	100.0	37,935	100.0	41,113	100.0
% Increase			13.7		14.7		9.2		8.4	



III. The Natural Gas Industry

FIGURE NO. 15

GAS COMPANIES AND MUNICIPAL GAS SYSTEMS OPERATING IN THE STATE OF NORTH CAROLINA AS OF 1-1-72

GAS COMPANIES

North Carolina Natural Gas Corp.
Frank A. Barragan, President
Drawer 909
Fayetteville, North Carolina

**North Carolina Gas Service, Division
of Pennsylvania and Southern Gas Co.**
Fred A. Marhoney, President
J. E. Connolly, Vice President
P. O. Box 779
Reidsville, North Carolina

Piedmont Natural Gas Company, Inc.
Buell G. Duncan, Chairman of the Board
4301 Yancey Road
Charlotte, North Carolina

Public Service Company of N. C., Inc.
B. E. Zeigler, President
400 Cox Road
Gastonia, North Carolina

**United Cities Gas Company
North Carolina Division**
John A. Maxheim, President
C. B. Dushane, Chairman
United Cities Gas Company
1200 Parkway Towers
404 James Robertson Parkway
Nashville, Tennessee 37219

Don Howard, Manager
United Cities Gas Company
Box 2000
Hendersonville, North Carolina

MUNICIPAL GAS SYSTEMS

Greenville, City of
Larry E. Brown
Comptroller
Greenville, North Carolina

Kings Mountain, City of
J. J. McDaniel, Jr.,
City Clerk and Treasurer
Kings Mountain, North Carolina

Lexington, City of
B. B. Beck, Jr.
Director of Finance
Lexington, North Carolina

Monroe, City of
J. E. Hinkel,
City Manager
Monroe, North Carolina

Shelby, City of
Ralph R. Haggard
Gas Superintendent
Shelby, North Carolina

Wilson, City of
Kermit D. Stewart
Director of Utilities
Wilson, North Carolina

Rocky Mount, City of
C. W. Bateman, Jr.
Director of Utilities
Rocky Mount, North Carolina

Bessemer City
Henry R. Ormand
City Clerk and Treasurer
Bessemer City, North Carolina

NATURAL GAS

During 1970 there were four (4) Class A & B and one (1) Class C natural gas utility companies under regulation. The Class A & B companies have annual gas operating revenues in excess of \$1 million. The North Carolina companies are primarily distribution companies, purchasing their gas for resale from Transcontinental Gas Pipe Line Corporation, the only interstate gas pipeline operating within the state. Transcontinental Gas Pipe Line Corporation purchases natural gas from producers in Texas and Louisiana and transports it to North Carolina where it is resold to the distributing companies at rates prescribed by the Federal Power Commission on the basis of three (3) zones

of distance from the point of production. North Carolina is in zone 2, which is bound by the Georgia-South Carolina State Line on the south and Virginia-Maryland State Line on the north. The distributing companies contract for a fixed amount (called contract demand) of gas to meet their customers requirements on a daily basis from the interstate pipeline company. The distribution companies must pay the demand charge for the contracted daily gas volume, whether or not they can resell it. In addition, they must pay a commodity charge for the volume of gas they actually receive up to contract volumes. Since the principal retail market for natural gas is for heat energy, distributors must sell large volumes of interruptible gas to industry, particularly during the

summer months. Interruptible gas is gas which an industrial customer purchases from the distributing companies with the understanding that they will have their supply interrupted or curtailed at times when the distributing company needs the gas for its firm customers. For this reason, interruptible gas is sold at a much lower price than firm gas.

Only three of the distributing companies in North Carolina have operations in other states: North Carolina Gas Service, a division of Pennsylvania and Southern Gas Company; United Cities Gas Company; and Piedmont Natural Gas Company, Inc. Under existing federal law any intra-state operation of distributing companies whose purchases and sales are all made within the state are under the jurisdiction of the state.

EXPANSION OF GAS SERVICE

There are over 160 North Carolina cities and towns served by the natural gas utilities which

have a combined population in excess of 1,828,571 based on 1970 census figures. The natural gas companies continued their expansion of service by investing over \$17 million in plant facilities in 1970, which compares to \$18 million in 1969.

CUSTOMER GROWTH

The annual average number of natural gas utility customers increased by 6.3% in 1970. The natural gas industry is young and comparatively small in North Carolina, having been started during the 1950-1958 period and this accounts partially for the continued high growth rate in customers. Figure No. 16 shows the customer growth for the eight year period (1963-1970) by major customer classification. Additional breakdown between industrial firm and interruptible customers is shown in the following table:

CUSTOMERS (ANNUAL AVERAGE)

	Residential	Commercial	Industrial— Firm	Industrial— Interruptible	Other Classes	Totals
1963*	125,435	17,470	1,069	592	13,387	157,953
1964*	134,097	18,903	1,205	597	13,276	168,078
1965*	145,080	20,613	1,264	596	17,834	185,387
1966	156,836	22,363	1,300	684	16,187	197,370
1967	169,127	24,241	1,353	754	15,639	211,114
1968	182,622	26,250	1,236	782	17,193	228,083
1969	196,570	28,918	1,471	1,154	18,580	246,693
1970	208,712	30,572	1,352	1,437	20,213	262,286
Percent Increase (Decrease)						
1970 over 1969	6.2%	5.7%	(8.1%)	24.5%	8.8%	6.3%

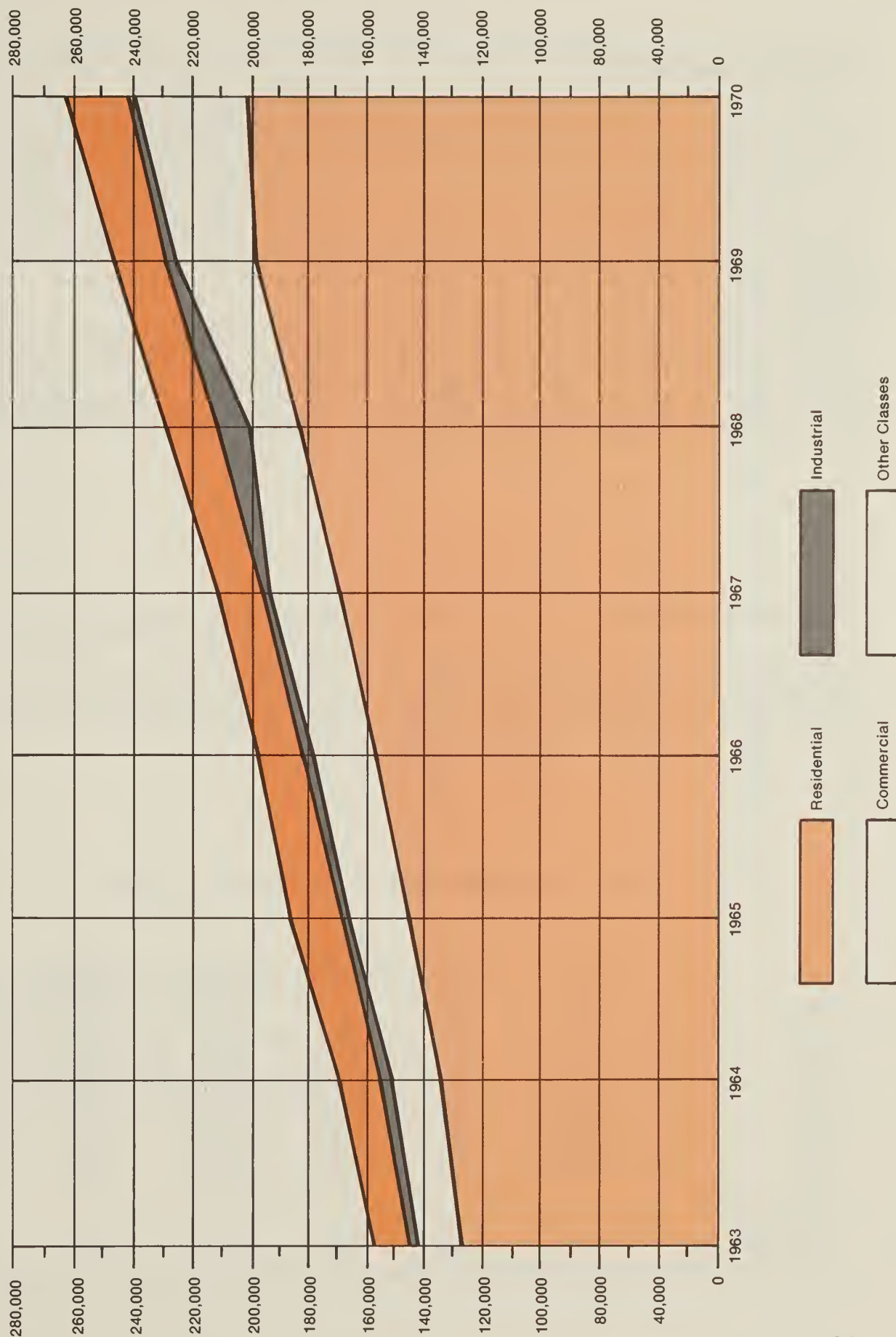
* Mt. Airy Gas Co. (Class D) ceased operations in 1966. Totals for 1965 and prior years do not include Mt. Airy figures.

Figure No. 17 shows the total customer growth by regulated companies and municipal gas systems with total revenues and total volume of gas sold in MCF's* for the years 1963, 1967 through 1970. The regulated utility growth in customers in 1970 was 6.3% as compared to the municipal's growth of 6.2% for the same period.

Growth in revenues from the sale of gas in 1970 over 1969 for the regulated sector was 13.0%, and for the municipals 11.4%. The quantity of gas sold in terms of MCF's in 1970 over 1969 increased 12.3% for the regulated utilities and 11.9% for the municipals.

*Thousand cubic feet

FIGURE NO. 16
GAS COMPANIES—CUSTOMER GROWTH BY CLASSES
 (North Carolina Data Only)
 1963-1970



RESIDENTIAL BILLS USAGE AND CASH PER MCF: COMPARISONS

Rates for natural gas and its usage vary widely among companies and regions, rendering it extremely difficult to make meaningful comparisons. Some of the reasons for these variations are: (a) Price: distance from source of supply, date pipelines were constructed and investment cost to be recovered and capitalization to be serviced, historic rate structures of different companies, and ability of the distribution company to obtain a high system load factor** and thereby earn a lower rate on its purchased gas; (b) Usage: the percent relationship of space heating customers to total customers among companies and regions, weather conditions between companies and regions (a variance in temperature of a few degrees per day between areas can greatly affect the number of degree days), and the competitive relationship of natural gas to other energy sources such as fuel

oil, electricity, and coal; (c) Saturation of customers; i.e., the number of customers per mile of gas mains.

Some average annual usages and (MCF)* cost data for the North Carolina natural gas companies and nine (9) natural gas companies located in various sections of the USA are shown on Figure No. 19. This data shows that North Carolina customers are somewhere in the middle range of the national average both as to actual usage and cost per MCF. Both statewide and on a national basis the data on Figure No. 19 shows that as usage increases, cost per MCF decreases.

* An MCF represents about 1,050,000 BTU in heating capacity as compared to 3,413 for a kilowatt hour, or 13,000 BTU per pound of coal, or 140,000 BTU per one gallon of No. 2 fuel.

** Load factor is the ratio of actual use of a facility over a period of time to the use of which the facility was capable for the same period.

PLANT INVESTMENT

The regulated natural gas utilities increased their investment in plant for North Carolina by \$16,736,951 in 1970 as compared to \$17,745,000 in 1969, bringing their combined total gross investment for the state to \$220,298,431 at December 31,

1970. This represents an increase of 8.2% over 1969, and greatly exceeds the 6.3% customer growth for the same period.

The gross investment by natural gas utilities for North Carolina and the percent increase for individual companies is as follows:

GROSS PLANT INVESTMENTS—YEAR END DATA (000's)

	N. C. Natural Gas. Co.	Pa. & Southern Gas Co.	Piedmont Natural Gas Co. ¹	Public Serv. Co. of N. C.	United Cities Gas	Totals
1963	29,325	2,338	45,175	37,293	672	114,803
1964	30,237	2,505	49,756	42,591	694	125,783
1965	31,136	2,730	55,621	48,008	705	138,200
1966	32,272	3,059	59,880	54,382	763	150,356
1967	34,353	3,360	65,384	61,963	922	165,982
1968	40,463	3,655	72,417	68,359	919	185,813
1969	44,597	3,876	79,287	74,799	1,001	203,560
1970	47,676	4,064	86,347	80,825	1,386	220,298
Percent Increase (Decrease)						
1970 over 1969	6.9%	4.9%	8.9%	8.1%	38.5%	8.2%

¹ Includes Carolina Natural Gas Corporation data, which company merged with Piedmont Natural Gas Co., Inc., August, 1968.

FIGURE NO. 17

REGULATED AND MUNICIPAL GAS SYSTEMS
Number of Customers, Total Revenue from Sales of Gas and Total MCF Sold
For the Years 1963, 1967 through 1970

Regulated Utilities	Number of Customers—Yearly Average ⁵ (N. C. Data Only)					% Increase (Decrease) 1970 over 1969
	1963	1967	1968	1969	1970	
Class A & B						
North Carolina Natural Gas ³	32,033 ²	32,199	34,361	38,409	40,676	5.9
North Carolina Gas Service, Division of Pa. & Southern Gas	3,750	6,040	6,607	7,130	7,562	6.1
Piedmont Natural Gas Co., Inc. ¹	75,735	98,421	104,360	111,218	117,270	5.4
Public Service Co. of N. C.	45,128	72,980	81,151	88,207	94,942	7.6
Totals—Class A & B	156,646	209,640	226,479	244,964	260,450	6.3
Class C & D⁴						
United Cities Gas Company	1,281	1,474	1,604	1,729	1,836	6.2
Totals—Class C & D	1,281	1,474	1,604	1,729	1,836	6.2
GRAND TOTALS—REGULATED UTILITIES	157,927	211,114	228,083	246,693	262,286	6.3
MUNICIPALS						
Bessemer City	214	340	412	419	534	27.4
Greenville, City of	3,812	3,965	3,967	4,022	4,057	.9
Kings Mountain, City of	833	1,329	1,375	1,384	1,381	(.2)
Lexington, City of	3,319	3,992	4,219	4,334	4,535	4.6
Monroe, City of	790	1,269	1,307	1,427	1,562	9.5
Rocky Mount, City of	3,534	4,100	4,437	4,990	5,580	11.8
Shelby, City of	2,354	2,999	3,221	3,489	3,752	7.5
Wilson, City of	3,163	3,887	4,149	4,441	4,626	4.2
Total—Municipals	18,019	21,881	23,087	24,506	26,027	6.2
GRAND TOTALS—ALL GAS SYSTEMS	175,946	232,995	251,170	271,199	288,313	6.3

¹ Carolina Natural Gas Corp. merged with Piedmont Natural Gas Co., Inc.—effective July 31, 1968. All prior years for Piedmont include Carolina figures for comparison purposes.

² Includes Tobacco-curing customers: 1963—640.

³ Includes Data for Tidewater Natural Gas Co. which merged with N. C. Natural Gas Corp. effective 11-25-64.

⁴ Mt. Airy Gas Co., a Class C & D gas company ceased operation Dec. 31, 1966, per letter by Company. Certificate cancelled 8-16-68.

⁵ Public Housing Units counted as customers; Municipal Gas Customers Date—Year End.

FIGURE No. 17 (Continued)

REGULATED AND MUNICIPAL GAS SYSTEMS
Number of Customers, Total Revenue from Sales of Gas and Total MCF Sold
For the Years 1963, 1967 through 1970

Regulated Utilities	Total Revenues from Sales of Gas (N. C. Data Only)					% Increase (Decrease) 1970 over 1969
	1963	1967	1968	1969	1970	
Class A & B						
North Carolina Natural Gas ³	10,285,000	13,178,869	15,023,542	17,980,065	24,439,504	35.9
North Carolina Gas Service, Division of Pa. & Southern Gas Co. .	1,134,000	1,486,136	1,960,704	2,348,447	2,465,693	5.0
Piedmont Natural Gas Co., Inc. ¹ . . .	19,285,300	27,738,866	31,246,279	35,023,499	36,827,898	5.2
Public Service Co. of N. C.	14,458,000	23,059,448	26,631,080	31,105,096	33,994,894	9.3
Totals—Class A & B	45,162,300	65,463,319	74,861,605	86,457,107	97,727,989	13.0
Class C & D ⁴						
United Cities Gas Company	323,829	444,175	518,186	574,007	629,756	9.7
Totals—Class C & D	323,829	444,175	518,186	574,007	629,756	9.7
GRAND TOTALS—REGULATED UTILITIES	45,486,129	65,907,494	75,379,791	87,031,114	98,357,745	13.0
MUNICIPALS						
Bessemer City	52,086	129,582	143,908	168,505	166,815	(1.0)
Greenville, City of	328,296	409,304	487,621	528,730	588,820	11.4
Kings Mountain, City of	228,627	388,761	430,937	454,300	479,144	5.5
Lexington, City of	675,452	814,376	1,107,996	1,185,378	1,327,598	12.0
Monroe, City of	232,309	492,866	544,204	642,547	679,624	5.8
Rocky Mount, City of	792,239	1,005,236	1,067,623	1,262,584	1,543,010	22.2
Shelby, City of	1,095,770	1,391,224	1,560,156	1,638,736	1,743,070	6.4
Wilson, City of	605,453	682,601	743,083	802,098	919,417	14.6
Totals—Municipals	4,010,232	5,313,890	6,085,528	6,682,878	7,447,498	11.4
GRAND TOTALS—ALL GAS SYSTEMS	49,496,361	71,221,384	81,465,319	93,713,992	105,805,243	12.9

¹ Carolina Natural Gas Corp. merged with Piedmont Natural Gas Co., Inc.—effective July 31, 1968. All prior years for Piedmont include Carolina figures for comparison purposes.

² Includes Tobacco-curing customers: 1963—640.

³ Includes Data for Tidewater Natural Gas Co. which merged with N. C. Natural Gas Corp. effective 11-25-64.

⁴ Mt. Airy Gas Co., a Class C & D gas company ceased operation Dec. 31, 1966, per letter by Company. Certificate cancelled 8-16-68.

⁵ Public Housing Units counted as customers; Municipal Gas Customers Date—Year End.

FIGURE NO. 17 (Continued)

REGULATED AND MUNICIPAL GAS SYSTEMS
Number of Customers, Total Revenue from Sales of Gas and Total MCF Sold
For the Years 1963, 1967 through 1970

Regulated Utilities	Total MCF of Gas Sold (N. C. Data Only)					% Increase (Decrease) 1970 over 1969
	1963	1967	1968	1969	1970	
Class A & B						
North Carolina Natural Gas ³	16,316,603	19,918,020	23,698,375	28,925,110	39,686,650	37.2
North Carolina Gas Service, Division of Pa. & Southern Gas Co.	1,553,304	2,170,909	3,146,229	3,965,261	4,264,571	7.5
Piedmont Natural Gas Co., Inc. ¹	22,630,460	35,045,101	39,718,022	43,878,006	46,231,471	5.4
Public Service Co. of N. C.	18,368,678	30,378,842	35,621,163	41,035,991	42,105,961	2.6
Totals—Class A & B	58,869,045	87,512,872	102,183,789	117,804,368	132,288,653	12.3
Class C & D ⁴						
United Cities Gas Company	331,980	515,816	579,318	656,893	754,903	14.9
Totals—Class C & D	331,980	515,816	579,318	656,893	754,903	14.9
GRAND TOTALS—REGULATED UTILITIES	59,201,025	88,028,688	102,763,107	118,461,261	133,043,556	12.3
MUNICIPALS						
Bessemer City	60,613	188,968	203,426	253,871	259,399	2.2
Greenville, City of	275,206	312,360	375,283	373,886	456,037	22.0
Kings Mountain, City of	263,024	589,177	626,469	654,350	694,865	6.2
Lexington, City of	845,445	1,009,161	1,465,809	1,863,680	2,017,996	8.3
Monroe, City of	136,971	528,650	587,820	711,863	810,400	13.8
Rocky Mount, City of	1,177,080	1,257,799	1,119,209	1,327,380	1,725,861	30.0
Shelby, City of	2,089,995	3,070,812	3,398,224	3,494,337	3,675,569	5.2
Wilson, City of	755,667	571,399	624,060	670,122	821,357	22.6
Totals—Municipals	5,604,001	7,528,326	8,400,300	9,349,489	10,461,484	11.9
GRAND TOTALS—ALL GAS SYSTEMS	64,805,026	95,557,014	111,163,407	127,810,750	143,505,040	12.3

¹Carolina Natural Gas Corp. merged with Piedmont Natural Gas Co., Inc.—effective July 31, 1968. All prior years for Piedmont include Carolina figures for comparison purposes.

²Includes Tobacco-curing customers: 1963—640.

³Includes Data for Tidewater Natural Gas Co. which merged with N. C. Natural Gas Corp. effective 11-25-64.

⁴Mt. Airy Gas Co., a Class C & D gas company ceased operation Dec. 31, 1966, per letter by Company. Certificate cancelled 8-16-68.

⁵Public Housing Units counted as customers; Municipal Gas Customers Date—Year End.

FIGURE NO. 18

GAS COMPANIES ENERGY SALES BY CLASSES TO ULTIMATE CONSUMERS
 (Millions of MCF's—North Carolina Data Only)
 1960, 1966 to 1970

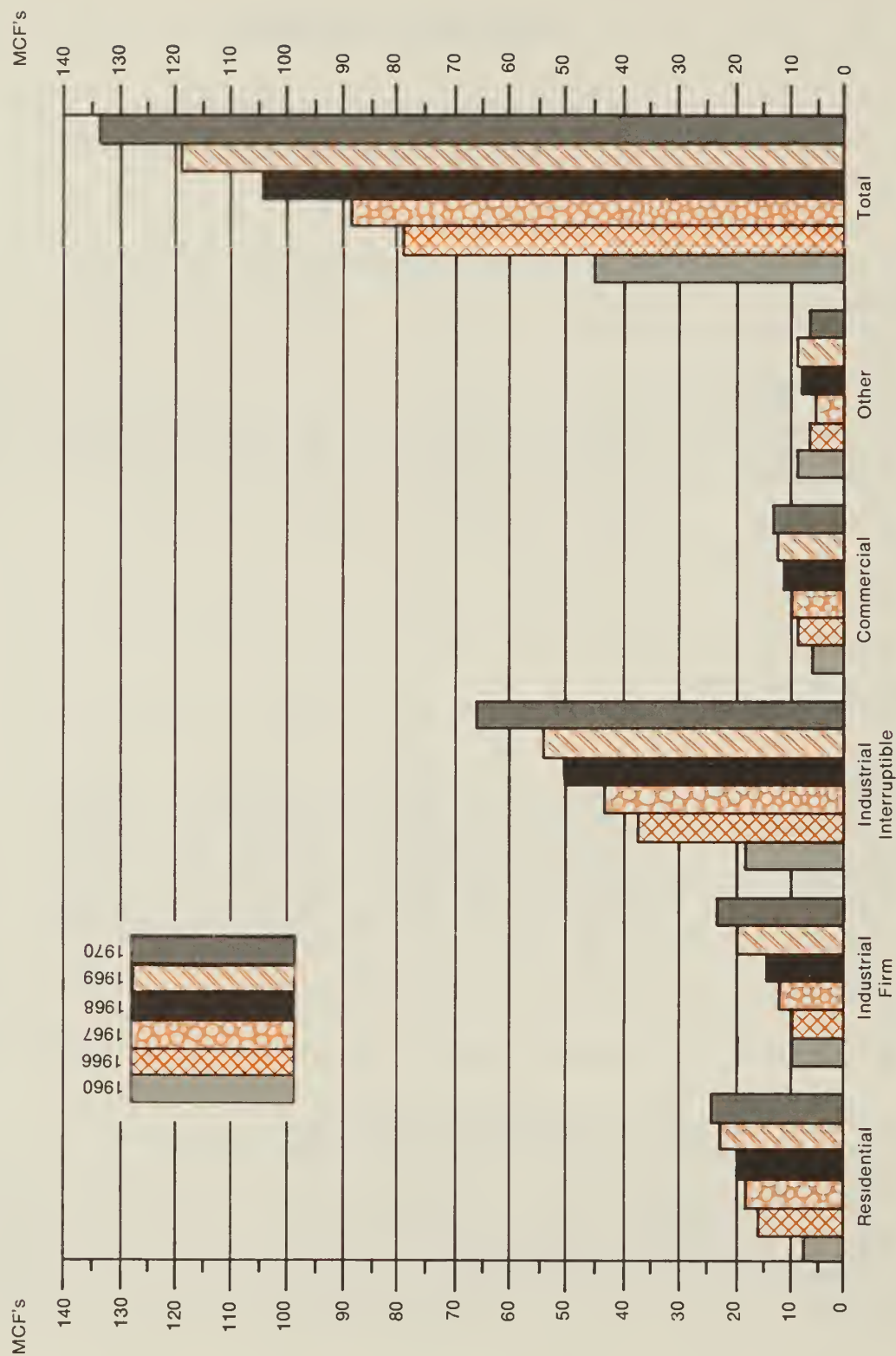


FIGURE NO. 19

RESIDENTIAL NATURAL GAS CUSTOMERS AVERAGE ANNUAL USAGE AND COST DATA (MCF)
N. C. and Selected Gas Companies Outside N. C.
For the Years 1963, 1967 through 1970

Company	Use-MCF					Rate per MCF					Total Cost				
	1963	1967	1968	1969	1970	1963	1967	1968	1969	1970	1963	1967	1968	1969	1970
N. C. Gas Companies (N. C. Data Only)															
N. C. Natural Gas Corp. ²	60	79	84	90	89	1.76¢	1.61¢	1.57¢	1.55¢	1.55¢	\$105.60	\$127.19	\$131.88	\$139.50	\$137.95
Pennsylvania & Southern Gas Co.	132	129	132	139	138	1.17	1.02	1.00	1.00	1.00	154.44	131.58	132.00	139.00	138.00
Piedmont Natural Gas, Inc. ¹	91	109	117	124	124	1.43	1.26	1.24	1.22	1.46	130.13	137.34	145.08	151.28	181.04
Public Service Co. of N. C.	93	94	99	118	115	1.51	1.41	1.39	1.37	1.39	140.43	132.54	137.61	161.66	159.85
United Cities Gas Company	67	80	88	94	93	1.78	1.59	1.54	1.52	1.53	119.26	127.20	135.52	142.88	142.29
Weighted Average	84	99	106	118	116	1.48	1.36	1.32	1.31	1.32	124.32	134.64	139.92	154.58	141.98
Gas Co. Outside N. C. (Systemwide Data) ^A															
Alabama Gas Company	104	102	116	119	120	\$1.16	\$1.12	\$1.07	\$1.06	\$1.09	\$120.64	\$114.24	\$124.12	\$126.14	\$130.80
Arkansas Western Gas Co.	126	124	136	136	139	.70	.75	.74	.75	.82	88.20	93.00	100.64	102.00	113.98
Indiana Gas Co.	N. Apl.	151	160	163	170	N. Apl.	.91	.90	.91	1.06	N. Apl.	137.41	144.00	148.33	180.20
Fall River Gas Co.	74	79	88	89	93	1.89	1.86	1.79	1.81	1.75	139.86	146.94	157.52	161.09	162.75
Haverhill Gas Co.	78	101	103	105	110	1.83	1.77	1.75	1.74	1.73	142.74	178.77	180.25	182.70	190.30
Mississippi Valley Gas Co.	98	92	102	100	102	.84	1.28	.83	.84	.88	82.32	78.20	84.66	84.00	89.76
Washington Natural Gas Co.	101	110	114	125	124	1.38	.85	1.26	1.25	1.27	139.38	140.80	143.64	156.25	157.48
National Average ^B	113	122	124	128	129	\$1.00	\$1.00	1.00	1.01	1.06	\$113.00	\$122.00	\$124.00	129.28	133.18

A Source March 1968 and prior: "Monthly Comparison of Gas Utility Common Stocks" by Bear, Stearns, Member of N. Y. Stock Exchange, 1969 & 1970

1 Moody's Public Utility Manual.

2 Carolina Natural merged with Piedmont effective 7-31-68. All figures of Carolina for prior years are included in Piedmont.

B N. C. Natural merged with Tidewater effective 11-25-64. Figures for 1964 and prior for Tidewater are included in N. C. Natural Gas Co.

Use Mcf's

N. Apl. Non Applicable.

FIGURE NO. 20

SUMMARY OF NATURAL GAS INDUSTRIAL USAGE, REVENUES & CUSTOMERS
N. C. Data Only—Calendar Years 1963, 1965-1970

Sales MCF's

	1963	1965	1966	1967	1968	1969	1970
Total Sales	59,201,384	70,539,006	78,152,372	88,028,688	102,763,107	118,461,261	\$133,043,556
Industrial Sales—Interruptible ..	17,463,047	35,474,199	37,398,388	43,429,232	49,920,629	54,159,755	65,586,136
Industrial Sales—Firm	17,082,227	8,270,240	9,912,993	12,112,586	13,656,271	19,690,570	22,537,304
Total	34,545,274	43,744,439	47,311,381	55,541,818	63,576,900	73,850,325	88,123,440
% of Total Volume	58.35%	62.01%	60.54%	63.09%	61.87%	62.34%	66.24%
Average Rate in Cents/mcfs * ..	49.18	50.33	51.33	50.38	49.79	49.86	50.48

Revenue

Total Revenue	\$45,730,808	\$52,437,554	\$59,735,713	\$65,907,494	\$75,379,791	\$87,264,924	\$98,517,207
Industrial—Interruptible	7,252,027	16,078,054	17,249,437	19,678,454	23,401,356	23,951,537	30,891,712
Industrial—Firm	9,735,644	5,936,747	7,035,097	8,304,460	8,258,068	12,880,541	13,828,163
Total	\$16,987,671	\$22,014,801	\$24,284,534	\$27,982,914	\$31,659,424	\$36,832,078	44,719,875
% of Total Revenue	37.15%	41.98%	40.65%	42.45%	41.99%	42.21%	45.39%

Customers (Annual Average)

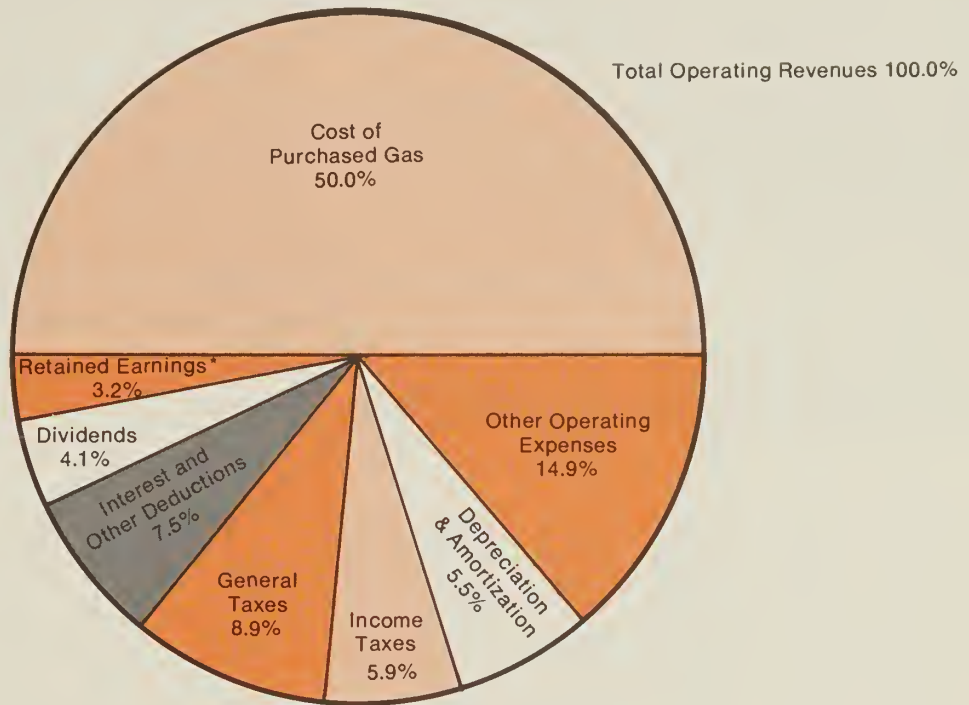
Total Customers	157,953	185,387	197,370	211,114	228,083	246,693	262,286
Industrial—Interruptible	592	596	684	754	782	1,154	1,437
Industrial—Firm	1,069	1,264	1,300	1,353	1,236	1,471	1,352
Total Industrial Customers	1,661	1,860	1,984	2,107	2,018	2,625	2,789
% of Total Customers	1.1%	1.0%	1.0%	1.0%	.9%	1.1%	1.1%

* Per MCFs of Industrial—Firm and Industrial—Interruptible

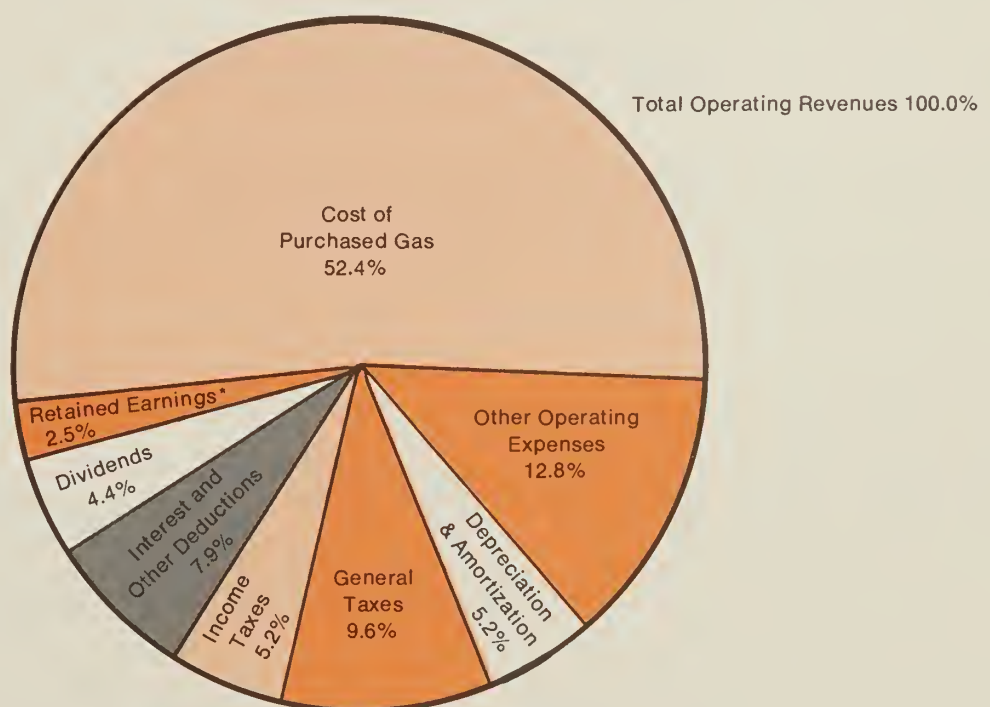
FIGURE NO. 21

**DISPOSITION OF THE REVENUE DOLLAR
GAS COMPANIES
NORTH CAROLINA DATA ONLY**

December 31, 1969



December 31, 1970



* Retained Earnings and Dividends per revenue dollar have no relation to the rate of return earned on investment.

INDUSTRIAL SALES VOLUME

Industrial Firm sales increased from 74 million to 88 million MCF's in 1970 over 1969, for an increase of 19.3% with the total industrial sales of MCF's* accounting for 66.2% of total MCF's sold in North Carolina by the regulated natural gas companies. Industrial uses of natural gas is expected to continue to increase as North Carolina's economy becomes more industrialized. However, during 1970, it became apparent that natural gas supplies to distributing companies in North Carolina would not be available on an unlimited basis as was experienced over the past several years.

See Figure No. 20 for summary of natural gas industrial usage, revenues, and customers.

*Thousand cubic feet

STATISTICAL SUMMARY DATA

Gross operating revenues increased in 1970 over 1969 by 13.0%, reaching a total of \$98 million.

Operating expenses also increased in 1970 over 1969 by 13.1%. Net operating revenues were correspondingly affected with an increase of 11.6%.

Interest on long-term debt increased 9.2% for 1970. Net income showed an increase of 6.1% over 1969, equivalent to \$390,288. Earnings per common share outstanding increased in 1970 over 1969 from \$1.17 to \$1.24.

Total number of full-time employees decreased in 1970 over 1969 by 12, but total wages paid these 1,851 employees increased by 6.5% to slightly over \$13,500,000. See Figure No. 22 for additional financial and operating statistical data.

The disposition of the gas company's revenue dollar for 1969 and 1970 is shown on Figure No. 21. The cost of purchased gas required in 1970 over 1969 was .7 more of each revenue dollar while most of the other items remained almost unchanged except retained earnings which decreased by .4 cents.

FIGURE NO. 22

GAS COMPANIES

Summary of Selected Income and Expenses, Balance Sheet and Customer
Statistics for the Calendar Years 1960, 1967 through 1970
(N. C. Data Only Unless Noted Otherwise)

Item						Percent Change—More (Less)		
	1960	1967	1968	1969	1970	1967 to 1968	1968 to 1969	1969 to 1970
Number of Companies Regulated	8	6	5	5	5			
Number included in this Data	8	6	5	5	5			
Income and Expense Items:								
Total Sales to Ultimate Consumers	29,195,718	63,833,809	72,839,542	84,248,603	95,783,347	14.1	15.7	13.7
Sales for Resale	2,034,000	2,073,685	2,540,249	2,782,511	2,574,398	22.5	9.5	(7.5)
Total Sales of Gas	31,229,718	65,907,494	75,379,791	87,031,114	98,357,745	14.4	15.5	13.0
Other Operating Revenue	213,920	275,714	164,034	233,810	159,462	(40.5)	42.5	(31.8)
Total Operating Revenue	31,443,638	66,183,209	75,543,825	87,264,924	98,517,207	14.1	15.5	12.9
Natural Gas Purchased	16,285,872	31,638,695	37,354,863	43,596,287	51,628,398	18.1	16.7	18.4
Maintenance and Repairs	708,677	1,327,175	1,404,193	1,592,394	1,909,047	5.8	13.4	19.9
Depreciation and Amortization	1,949,108	4,165,547	4,544,909	4,789,081	5,152,810	9.1	5.4	7.6
Taxes								
State Income	235,114	526,573	543,630	592,310	655,505	3.2	9.0	10.7
Federal Income Allocated to N. C. Earnings	2,001,923	3,623,252	4,670,367	4,581,510	4,512,121	28.9	(1.9)	(1.5)
Franchise, State, and Local Property	2,333,803	5,524,549	6,270,531	7,382,662	8,288,578	13.5	17.7	12.3
Other Taxes	147,660	328,265	386,423	373,664	1,117,481	17.7	(3.3)	199.1
Total Taxes	4,718,500	10,002,639	11,870,951	12,930,146	14,573,685	18.7	8.9	12.7
Total Operating Expenses	28,194,887	55,889,907	65,257,574	75,111,202	84,951,846	16.8	15.1	13.1
Net Operating Revenues	3,248,751	10,293,302	10,286,251	12,153,722	13,565,361	(.07)	18.2	11.6
Other Income	178,767	294,238	407,884	796,235	1,002,976	38.6	95.2	26.0
Interest on Long-term Debt	2,610,685	4,398,138	4,977,058	5,884,347	6,427,600	13.2	18.2	9.2
Total Other Deductions (Includes Interest on Long-term Debt)	2,911,769	4,737,439	5,435,941	6,558,571	7,786,663	14.7	20.7	18.7
Net Income	515,749	5,838,522	5,258,194	6,391,386	6,781,674	(9.9)	21.6	6.1
Balance Sheet Items (N. C. Only)								
Utility Plant (Gross)	84,126,437	165,985,447	185,815,529	203,561,480	220,298,431	11.9	9.6	8.2
Depreciation Reserve	8,133,669	28,982,155	32,495,576	36,650,051	41,397,242	12.1	12.8	13.0
Utility Plant—Net (Original Cost)	75,992,768	137,003,292	153,319,953	166,911,429	178,901,189	11.9	8.9	7.2
Balance Sheet Items (Systemwide)								
Long-term Debt	64,432,400	106,384,152	118,771,402	126,945,277	143,161,427	11.6	6.9	12.8
Earned Surplus	4,930,248	15,310,390	17,902,569	21,250,167	24,224,240	16.9	18.7	14.0
Total Capitalization	94,245,626	167,028,192	182,745,486	197,382,637	223,837,914	9.4	8.0	13.4
Long-term Debt % of Total Capitalization	68.4	63.7	64.9	64.3	64.0			
Number of Common Shares Outstanding—Year End	4,197,010	5,786,160	5,402,444 ^A	5,821,271	6,155,856	(6.6)	7.8	5.7
Earnings Per Common Share—Year End (After Preferred Dividends) .....	.04	1.04	1.00	1.17	1.24	(3.9)	17.0	6.0
Customer and Miscellaneous Data								
Average Annual Use—Residential Customer (Mcf)	81	99	106	123	111	7.1	16.0	(9.8)
Total Residential Customers— Average Annual Count	88,509	169,127	182,622	196,570	208,712	8.0	7.6	6.2
Grand Total all Types Customers— Average Annual Count	112,409	211,114	228,083	246,693	262,286	8.0	8.2	6.3
Average Number of Full-time Employees	1,113	1,651	1,828	1,863	1,851	10.7	1.9	(.6)
Total Salaries and Wages Paid Employees	5,209,069	9,969,376	11,789,424	12,715,739	13,539,278	18.3	7.9	6.5
Average Annual Compensation Per Employee	4,680	6,038	6,450	6,825	7,315	6.8	5.8	7.2

^A Reflects merger of Carolina Natural Gas Corp. with Piedmont Natural Gas Co., Inc. effective July 31, 1968.



IV. The Telephone Industry

FIGURE NO. 23

**THE TELEPHONE INDUSTRY
TELEPHONE COMPANIES OPERATING IN NORTH CAROLINA
AND NUMBER OF TOTAL TELEPHONES IN SERVICE
AT YEAR END FOR 1963, 1968, 1969, and 1970**

Class A and B	No. of Total Telephones in Service				Per Cent of Increase (Decrease) 1970 over 1969	Number of Exchanges		
	1963	1968	1969	1970		1968	1969	1970
Carolina Tel. & Tel. Company	262,300	394,854	428,866	465,037	8.4	114	114	114
Central Telephone Company ¹	81,149	114,222	122,560	130,708	6.6	36	36	36
Citizens Telephone Company	4,747	7,667	8,274	8,704	5.2	3	3	3
Concord Telephone Company	39,873	51,953	54,274	56,365	3.9	9	9	9
Eastern Rowan Telephone Company	2,514	3,460	3,627	3,853	6.2	1	1	1
General Tel. of North Carolina	8,299	11,660	12,631	13,166	4.2	3	3	3
General Tel. of the Southeast	50,226	74,011	79,350	84,303	6.2	2	2	2
Heins Telephone Company	9,929	13,751	14,852	15,825	6.6	3	3	3
Lee Telephone Company	7,938	10,537	10,837	11,753	8.5	7	7	7
Lexington Telephone Company	10,497	14,870	16,192	17,082	5.5	3	3	3
Mebane Home Telephone	2,283	3,146	3,467	3,665	5.7	1	1	1
Mooreville Telephone Co.	4,748	6,590	7,072	7,572	7.1	1	1	1
Norfolk-Carolina Tel. & Tel.	16,710	23,119	24,993	27,062	8.3	16	16	16
North Carolina Telephone Co. ²	10,496	17,053	18,118	20,000	10.4	14	15	15
North State Telephone Co.	43,152	57,150	61,405	64,662	5.3	3	3	3
Oldtown Telephone System, Inc.	7,093	11,208	12,209	13,810	13.1	5	5	5
Sandhill Telephone Co.	1,709	2,202	2,381	2,526	6.1	2	2	2
Southern Bell Tel. & Tel. Co.	775,270	1,088,104	1,170,001	1,253,681	7.2	92	93	93
Thermal Belt Telephone Co.	3,389	4,341	4,589	4,939	7.6	3	3	3
United Telephone Co. of Carolinas	19,723	29,139	31,795	35,091	10.4	12	13	13
Westco Telephone Co.	7,234	13,255	15,254	16,881	10.7	15	15	15
Western Carolina Telephone Co. ³	14,726	22,579	24,856	27,496	10.6	12	12	12
TOTALS: Class A & B	1,384,005	1,974,871	2,127,603	2,284,181	7.4	357	360	360
Class C and D								
Barnardsville Telephone Company	247	320	335	354	5.7	1	1	1
Denton Telephone Co. (Mid-Carolina)	806	1,513	1,575	1,636	3.9	1	1	1
Ellerbe Telephone Company	742	934	1,002	1,084	8.2	1	1	1
First Colony Tel. & Tel.	43	129	144	184	27.8	1	1	1
Randolph Telephone Company	1,238	1,855	2,003	2,104	5.0	1	1	1
Saluda Mtn. Telephone Co.	346	409	450	520	15.6	1	1	1
Service Telephone Company	448	552	568	600	5.6	1	1	1
TOTALS: Class C & D	3,870	5,712	6,077	6,482	6.7	7	7	7
GRAND TOTALS*	1,387,875	1,980,583	2,133,680	2,290,663	7.4	364	367	367
UNITED STATES TOTALS	84,450,000	109,247,000	114,691,400	120,783,300	5.3			
*Includes Special Service & Private Lines as follows: ..	24,096	26,704	25,094	28,752	14.6			

¹ Morris Telephone Co. merged with Central Telephone Co. Nov. 4, 1965. All figures for Morris for 1965 and prior are included in Central.

² Lilesville Tel. Co. merged with N. C. Telephone Co. Dec. 31, 1968. All figures for 1968 and prior for Lilesville are included in N. C. Telephone.

³ Cooleemee merged with Western Carolina 1-11-67. All figures for Cooleemee for years prior to 1967 are included in Western.

N/A—Not Available

TELEPHONE INDUSTRY

At December 31, 1970 there were 22 Class A & B and 7 Class C & D telephone companies under jurisdiction of the North Carolina Utilities Commission. Western Union Telegraph Company's rates on intrastate service are also regulated by the Commission, but the Federal Communications Commission rather than the Utilities Commission has jurisdiction over the extension and abandonment of telegraph offices and services. The Utilities Commission receives notices of all proceedings initiated by Western Union and is a proper party to these proceedings. Seven of the telephone companies under North Carolina jurisdiction also have operations in other states.

The telephone companies render both local exchange service and toll service pursuant to tariffs containing rates and charges on file with and approved by the Utilities Commission.

See Figure No. 24.

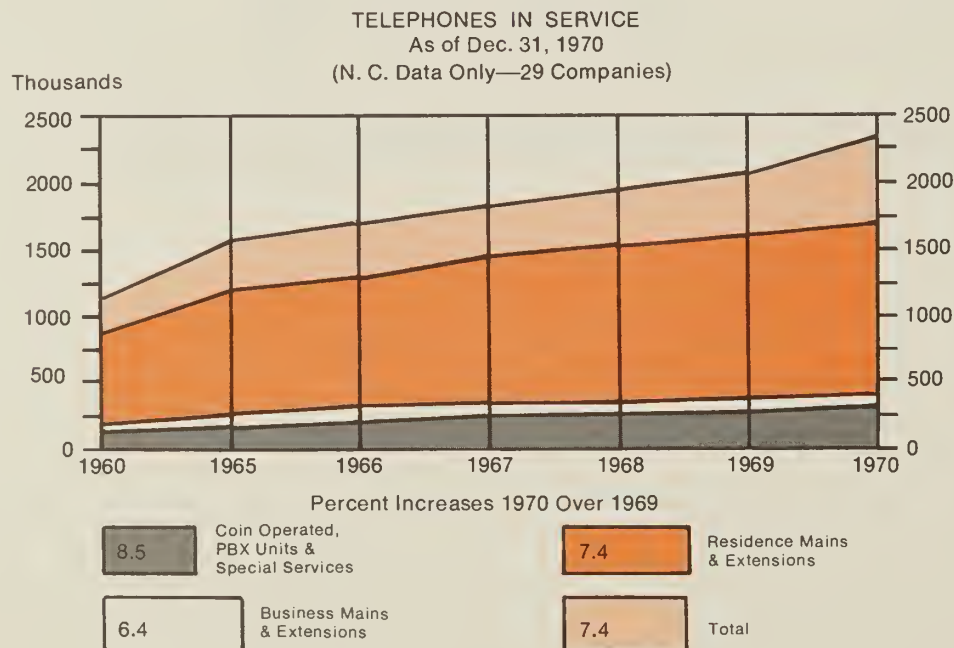
CUSTOMER GROWTH AND IMPACT ON PLANT INVESTMENT

The regulated utilities had 2,290,713 telephones in service in North Carolina at December 31, 1970. They added 153,097 in 1969 for a gain of 7.7%, and 157,033 in 1970 for a gain of 7.4%. Figure No. 23 shows increases in telephones by companies. The 1970 rate of increase was 38.5% greater than the national growth rate, as compared with 54.6% increase in 1969. For well over a decade, new telephones have been installed in North Carolina at a rate greater than the national rate. Of total telephones provided by regulated utilities in the state, Southern Bell Telephone and Telegraph Company

serves 54.7%, and Carolina Telephone and Telegraph Company serves 20.3%.

The installation of an additional telephone requires additional investment and is not always obvious. For example, in installing an additional instrument, provision must be made for central office equipment, circuits, and lines adequate to the traffic potential of the installation. The telephone companies attempt to maintain a plant margin of reserve for growth and maintenance for at least six (6) to eighteen (18) months for central office equipment. For other types of plant, the companies strive for a margin or reserve of greater duration depending on the type of construction and the economics involved in such construction. The telephone company generally attempts to engineer for a three-year growth in outside cable plant facilities and for a one to two year growth factor in central office equipment. The experience of the majority of companies in North Carolina recently has been that margins are taken up by new demands much more rapidly than projected, often in as little as six months. Unlike other industries, increased volume and increased installation do not necessarily mean increased profits for the telephone utilities. In many instances, increased volume can mean less net earnings where the unit cost of servicing the investment exceeds additional unit revenue derived. This is particularly true in sparsely populated areas requiring high investment per station. The same unit profit squeeze may also be evident in meeting demands for higher grades of service; for example, because of rate differentials, where a subscriber who had been receiving four-party service asks for and receives one-party service, the increased revenue per unit may not keep pace with the additional investment and expense.

FIGURE NO. 24



DEMANDS FOR SERVICE

The telephone companies in North Carolina for several years have been faced with an enormous challenge in meeting demands for service. However, as more and more telephone service is extended throughout the state, the over-all problem changes somewhat from satisfying demands for service, on which the Commission and the companies have placed special emphasis, to satisfying demands for better quality and up-graded service. It is believed this condition results almost entirely from the Commission's vigorous program of requiring the telephone companies to offer primary service throughout their built-up areas through extensions of their base rate areas in local exchanges. The extension of base rate areas eliminates the mileage surcharge for some customers and reduces it for others. This substantially reduces the over-all monthly cost of telephones for a large number of subscribers and creates an immediate and substantial demand for up-graded service.

EXTENDED AREA SERVICE (EAS)

This is the industry term applied to the extension of toll-free service from one telephone exchange to and from another when a toll charge had theretofore applied between them. Widespread public interest continues in this field, and the time spent in determining communities of interest, studying costs and revenues associated with providing the service, and sounding subscriber sentiment was considerable in 1970, as in previous years.

TELEPHONE RATES

Local Exchange Rates. These are the monthly charges for basic telephone service as fixed by the Commission. These rates are divided between residential and commercial telephones and are graduated upward from four-party to single-party service. Local exchange rates for a particular company are fixed on a company-wide basis according to the calling scope of the particular exchanges: i.e., the number of telephones in an exchange which a single subscriber may telephone without toll charge. These rate groupings by telephone population are not standard among the companies. Figure No. 25 shows rate groupings with rates for the regulated telephone companies.

The practical result of the foregoing "value of service principle" is that a company's subscribers in an urban area will pay a proportionately higher monthly local exchange rate than the same company's subscribers in a community having a substantially smaller number of telephones that can be called without a toll charge. Thus, unlike electric and natural gas utilities which have standard rates applicable to a customer classification company-wide, the telephone companies have different rates for basic service depending upon the telephone population or calling scope in the particular exchange. Telephone rates also vary substantially between companies and states. Figure No. 26 shows local service telephone monthly rates for selected exchanges in North Carolina and selected out-of-state

exchanges. The out-of-state companies shown were selected mainly because of exchange sizes comparable to North Carolina. The figure permits very few, if any, reasonable comparisons. It does illustrate the wide disparities in rates between companies and states.

Mileage Charges. The telephone companies make a monthly mileage charge (generally 63 cents per quarter mile airline measured from the nearest point on the base rate area boundary to the point of installation) for primary service outside the base rate area. No mileage charges are made within the base rate areas, and mileage charges for rural or multi-party service (8 to 10 subscribers on a single line) outside the base rate area are being eliminated as rapidly as possible.

Toll Charges. Calls between two separate exchanges are "long distance" on toll charge calls, unless arrangements have been made for extended area (toll free) service. Intrastate toll charges in North Carolina are uniform throughout the state. These toll rates were reduced to be effective September 1, 1968 as shown on Figure No. 27. The reduction was made possible through an FCC and NARUC* approval of separation manual charges that resulted in a transfer of revenue requirements from intrastate to interstate properties by the North Carolina Bell Company. Approximately \$1 million was required to effectuate the changes in the intrastate toll rates as reflected on Figure No. 27.

This action was in line with the long-range Commission objective of making interstate and intrastate toll rates equal.

Service Connection Charges. The Commission also regulates the various service connection charges of telephone companies. An effort has been made to establish uniformity in these charges. Generally, this has been realized.

* National Association of Railroads and Utilities Commission

Authorized charges are as follows:

Main stations—each	\$10.00
Extension stations—each	4.00
Moves and changes—each	4.00

The present charges were authorized by the Commission on September 19, 1969, Docket No. P-100, Sub 22 and became effective October 1, 1969.

Special Charges. Certain special equipment such as key systems and private branch exchange systems require special rates and special consideration by the Commission. These rates are fixed individually on a case-by-case and company-by-company basis and vary widely because of variances in equipment and operating characteristics.

SOURCE AND DISPOSITION OF REVENUES

The telephone companies in 1969 derived about 48.4% of their revenues from local charges, 48.2% from toll charges, and 3.4% from miscellaneous services. In 1970, the breakdown was 49.2% for

FIGURE NO. 25

TELEPHONE RATES MONTHLY FLAT RATES BY CALLING SCOPE GROUPINGS FOR ONE PARTY BUSINESS AND RESIDENTAL SERVICE AS OF DECEMBER 31, 1970

CALLING SCOPE¹ AND RELATED MONTHLY FLAT RATES

Class A & B	1-500		501-1,000		1,000-2,000		2,001-4,000	
	Business	Residence	Business	Residence	Business	Residence	Business	Residence
Carolina Telephone & Tel. Co.			8.75	5.25	10.00	5.50	11.00	6.00
Central Telephone Co. ²	11.00	5.45	11.50	5.80	12.00	6.15	10.55	5.70
Citizens Tel. Co.								
Concord Tel. Co.								
Eastern Rowan Tel. Co.								
General Tel. Co. of N. C.								
General Tel. Co. of the Southeast								
Heins Tel. Co.								
Lee Telephone Co.							13.40	7.35
Lexington Tel. Co.								
Mebane Home Tel. Co.								
Mooresville Tel. Co.								
Norfolk & Carolina Tel. & Tel. Co.								
North Carolina Tel. Co.							10.00	6.00
North State Tel. Co.								
Oldtown Tel. System, Inc.								
Sandhill Tel. Co.								
Southern Bell Tel. & Tel. Co.					8.50	3.75	9.00	4.00
Thermal Belt Tel. Co.							9.00	5.75
United Tel. Co. of the Carolinas Inc.	6.25	3.75			8.05	4.45	8.95	4.80
Western Carolina Tel. Co.	12.50	7.05	13.00	7.15	13.50	7.25	14.00	7.35
Westco Tel. Co.	9.65	5.50	10.65	5.75	11.65	6.00	12.65	6.25
Class C & D								
Barnardsville Tel. Co.	4.25	2.75						
Denton Tel. Co.					7.50	4.75		
Ellerbe Tel. Co.			9.50	5.75				
Lilesville Tel. Co.							11.00	6.50
Randolph Tel. Co.								
Saluda Mountain Tel. Co.	6.50	4.50						
Service Tel. Co.							8.50	6.00

¹ "Calling Scope" is the number of main station telephone and PBX trunks that can be called without paying a toll charge. The above rates are applicable to customers being served from exchanges having a total number of main stations and PBX trunks falling within the ranges indicated.

² Rates shown do not include the following exchanges: Effland, Hillsborough, Prospect Hill, Roxboro, Timberlake, and Yanceyville.

TELEPHONE RATES
MONTHLY FLAT RATES BY CALLING SCOPE GROUPINGS
FOR ONE PARTY BUSINESS AND RESIDENTIAL SERVICE
AS OF DECEMBER 31, 1970

[illegible]

FIGURE NO. 26

LOCAL SERVICE TELEPHONE MONTHLY RATES
 SELECTED EXCHANGES SERVING CITIES OF 50,000 POPULATION
 OR MORE (1960 CENSUS)
 In Effect June 30, 1971

COMPANY	EXCHANGE AND/OR CITY	STATE	TELEPHONES IN L.S.A. AS OF June 30, 1971	MONTHLY FLAT RATES 1-PARTY SERVICE	
				Business	Residence
North State Telephone Company	High Point	N. C.	65,950	9.50	4.50
Southern Bell Tel. & Tel. Company	Gadsden	Ala.	44,325	15.50	5.40
General Tel. Co. of the Southeast	Durham	N. C.	86,890	20.00	7.30
General Tel. Co. of Indiana, Inc.	Terre Haute	Ind.	66,725	11.60	5.85
Southern Bell Tel. & Tel. Company	Asheville	N. C.	76,998	12.00	5.20
Michigan Bell Telephone Company	Jackson	Mich.	80,500	10.00	4.75
Southern Bell Telephone & Telegraph Co.	Raleigh	N. C.	129,669	14.25	5.35
New England Tel. & Tel. Company	Portland	Maine	93,095	17.95	7.05
Southern Bell Tel. & Tel. Company	Greensboro	N. C.	121,975	14.25	5.35
Southwestern Bell Tel. & Tel. Co.	Corpus Christi	Texas	140,011	15.25	6.20
Southern Bell Tel. & Tel. Company	Winston-Salem	N. C.	127,253	14.25	5.35
General Tel. Co. of California	San Bernardino	Calif.	132,793	11.80	5.25
Southern Bell Tel. & Tel. Company	Charlotte	N. C.	236,709	16.00	5.60
Diamond State Tel. Company	Wilmington	Del.	301,950	14.60	6.60

SOURCE: NARUC booklet "Exchange Service Telephone Rates," June 30, 1971.
 L.S.A.—Local Service Area

FIGURE NO. 27

NORTH CAROLINA INTRASTATE TELEPHONE TOLL RATES
In Effect Sept. 1, 1970

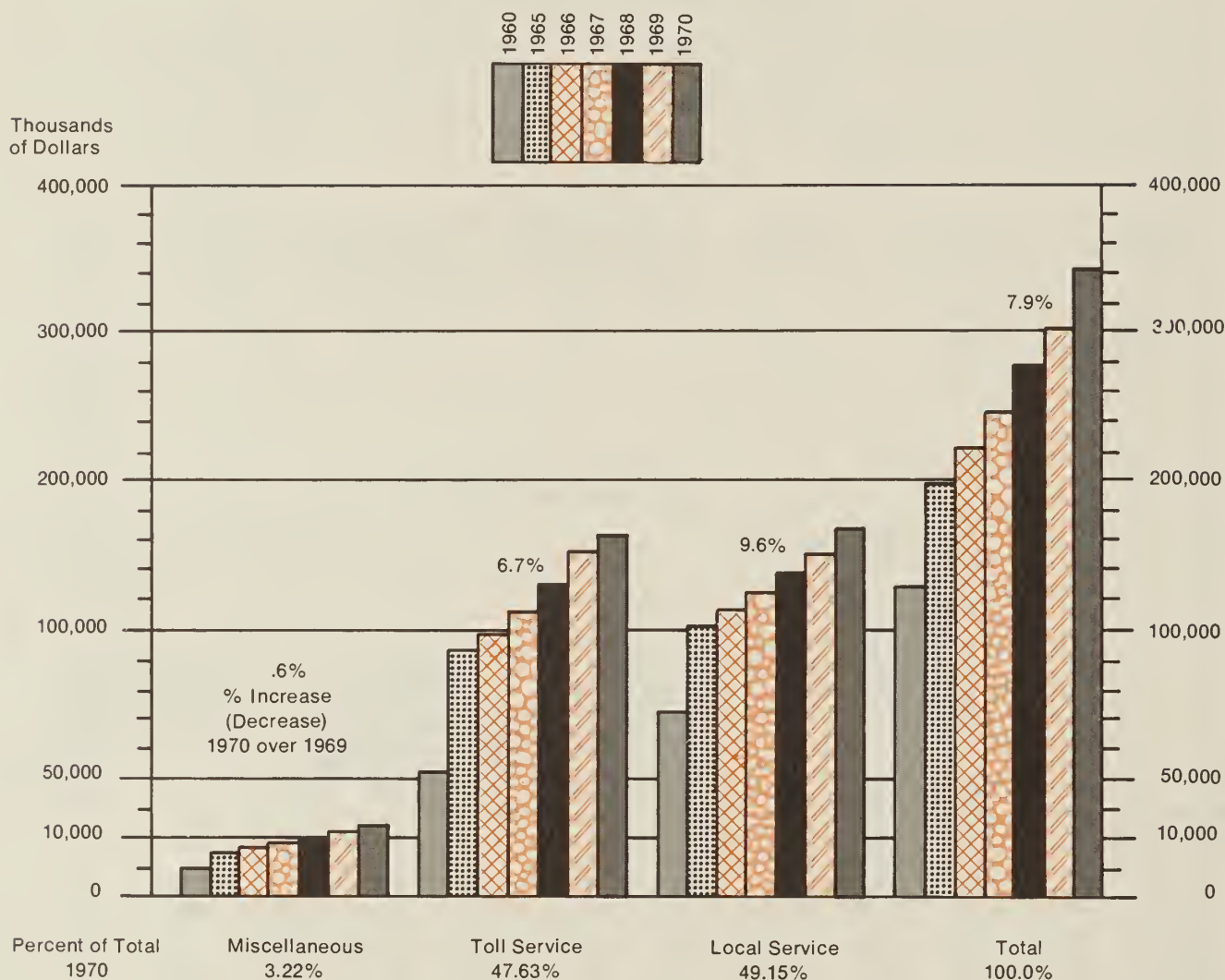
MILEAGES AND CORRESPONDING RATES

MILEAGE	All Days—All Hours			All Days—All Hours		
	Station to Station			Person to Person		
	Paid		Collect	Paid and Collect		
	3 Minutes	Additional Minute	Amount to be Added to Charges Computed on "Paid" Basis	3 Minutes	Add'l Min. First 3	After 3
0-10	.20	.06	.20	.40	.13	.06
11-16	.25	.08	.15	.50	.16	.08
17-22	.30	.10	.10	.60	.20	.10

PAID AND COLLECT

MILEAGE	Station to Station						Person to Person					
	Day		Evening		Night		Day			Night		
	Mon. thru Sat. 4:30 A to 6:00 P		Mon. thru Fri. 6:00 P to 8:00 P and Sat. 4:30 A to 8:00 P		Mon. thru Sat. 8:00 P to 4:30 A and all Day Sun.		Mon. thru Sat. 4:30 A to 6:00 P			Mon. thru Sat. 6:00 P to 4:30 A and all Day Sunday		
	3 Min.	Add'l. Min.	3 Min.	Add'l. Min.	3 Min.	Add'l. Min.	3 Min.	Add'l. Min. First 3	After 3	3 Min.	Add'l. Min. First 3	After 3
23—30	.35	.11	.35	.11	.35	.11	.65	.21	.11	.65	.21	.11
31—40	.40	.13	.40	.13	.40	.13	.75	.25	.13	.75	.25	.13
41—55	.45	.15	.40	.13	.40	.13	.85	.28	.15	.80	.26	.13
56—85	.50	.16	.45	.15	.45	.15	.95	.31	.16	.85	.28	.15
86—100	.55	.18	.45	.15	.45	.15	1.00	.33	.18	.90	.30	.15
101—124	.60	.20	.45	.15	.45	.15	1.05	.35	.20	.90	.30	.15
125—148	.65	.21	.50	.16	.50	.16	1.15	.38	.21	1.00	.33	.16
149—172	.70	.23	.55	.18	.50	.16	1.30	.43	.23	1.15	.38	.18
173—196	.75	.25	.55	.18	.50	.16	1.40	.46	.25	1.20	.40	.18
197—220	.80	.26	.60	.20	.50	.16	1.45	.48	.26	1.25	.41	.20
221—244	.85	.28	.65	.21	.50	.16	1.50	.50	.28	1.30	.43	.21
245—268	.90	.30	.70	.23	.50	.16	1.55	.51	.30	1.35	.45	.23
269—292	.95	.31	.70	.23	.50	.16	1.60	.53	.31	1.35	.45	.23
293—316	1.00	.33	.75	.25	.50	.16	1.65	.55	.33	1.40	.46	.25
317—354	1.05	.35	.80	.26	.50	.16	1.70	.56	.35	1.45	.48	.26
355—392	1.10	.36	.85	.28	.55	.18	1.75	.58	.36	1.50	.50	.28
393—430	1.15	.38	.85	.28	.55	.18	1.80	.60	.38	1.50	.50	.28
431—544	1.20	.40	.85	.28	.60	.20	1.85	.61	.40	1.55	.51	.28

FIGURE NO. 28
TELEPHONE COMPANIES
OPERATING REVENUES AND SOURCES
 With Percent Increase 1970 over 1969
 (North Carolina Data Only)



local charges, 47.6% for toll charges, and 3.2% from miscellaneous services. These ratios have not changed drastically on a year-to-year basis, but the long term trend as shown on Figure No. 28 shows that toll revenue is producing an increasing percentage of total revenue, the trend being 41.4% in 1960 and increasing to 47.6% in 1970.

The components of the disposition of the revenue dollar as shown on Figure No. 29 remained fairly constant for 1969 and 1970. After operation and maintenance expenses, which includes salaries and wages, the next largest item was depreciation. Income taxes decreased about 2¢ in 1970 over 1969 but interest increased about 4¢, thereby creating a reduction in retained earnings.

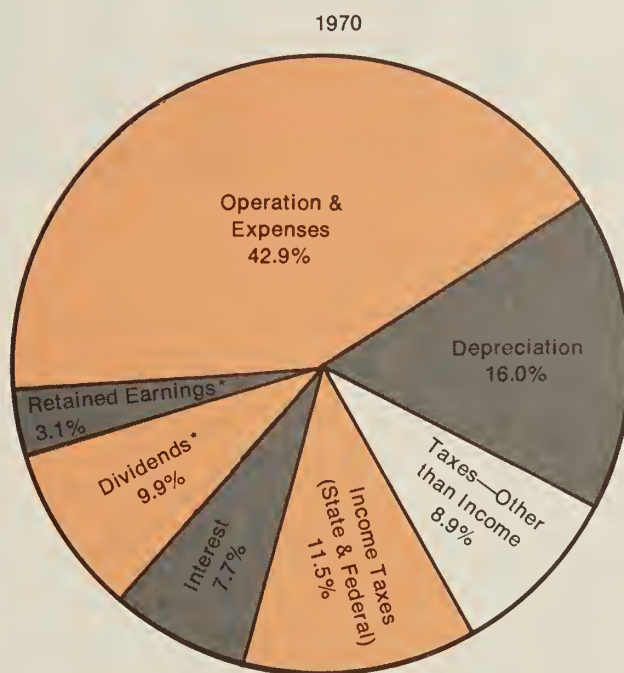
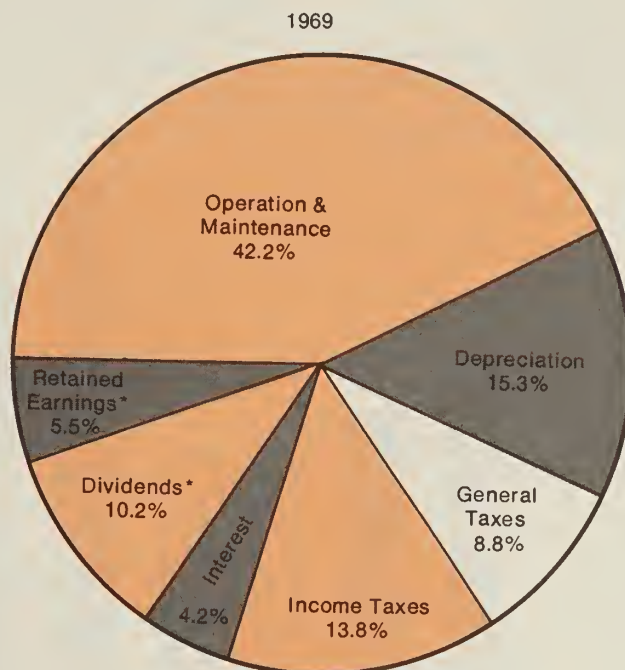
PLANT INVESTMENT

The regulated telephone companies increased their gross plant investment in North Carolina 13.7% in 1969 and 15.2% in 1970. These increases represent investments of \$104 million in 1969 and \$136 million in 1970 and bring the total gross investment at December 31, 1970 to over \$1,270,000,000 or to \$561 per telephone based on year end count.

Figure No. 30 shows plant investment per telephone for the years 1960, 1965 through 1970 on investment per telephone for the same period on an industry wide basis and Figure No. 31 shows the same data for each of the regulated telephone com-

FIGURE NO. 29

DISPOSITION OF THE REVENUE DOLLAR
TELEPHONE COMPANIES
N. C. OPERATIONS ONLY
December 31, 1970



* Retained Earnings & Dividends per Revenue Dollar have no relation to the rate of return earned on investment.

panies operating in North Carolina. The investment per telephone data as shown on Figure No. 31 indicates the variances in this important cost element of providing telephone service and these variances in plant cost contributes to the variances in telephone rates between companies.

STATISTICAL SUMMARY DATA

Total operating revenues of the telephone companies increased in 1969 by 14.1% , an increase from the 13.4% in 1968. However, the increase in 1970 over 1969 was only 7.9% . Operating expenses in-

creased by 6.8% in 1970 over 1969 and net operating revenue increased by 13.0% in 1970 over 1969. Salaries and wages increased by 12.4% in 1970 over 1969. This increase was slightly less than the yearly per cent increases for this expense item in both 1969 and 1968. Total salaries and wages paid by the telephone companies in 1970 were over \$121 million as compared with \$108 million in 1969, while total average number of employees increased from 16,526 in 1969 to 17,791, or 7.7% , in 1970. A detailed account of these items is shown on Figure No. 32.

FIGURE NO. 30

TELEPHONE COMPANIES—PLANT INVESTMENT PER TELEPHONE
WITH PER CENT INCREASE 1970 over 1969 (N. C. Data Only)

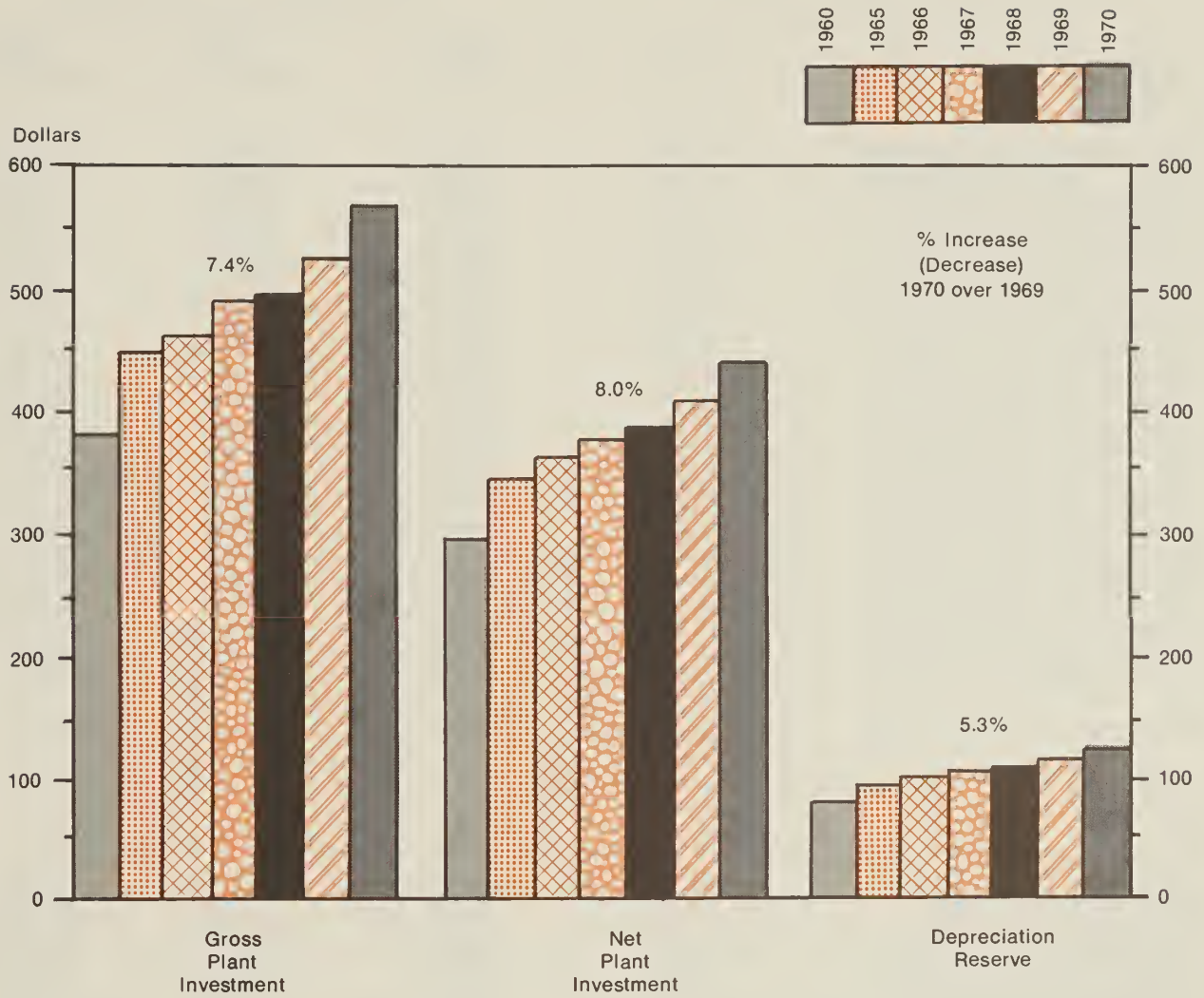


FIGURE NO. 31

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1960, 1965 through 1970
(N. C. Data Only, Unless Otherwise Noted)

N. C. Gross Telephone Plant—Year End

Class A & B	1960 per phone	1965 per phone	1966 per phone
Carolina Telephone & Telegraph Co.	513.52	556.81	589.71
Central Telephone Company ¹	316.53	390.58	414.21
Citizens Telephone Company	329.67	571.56	592.64
Concord Telephone Company	257.23	334.96	351.02
Eastern Rowan Telephone Co.	360.36	477.83	482.73
Gen. Tel. Co. of North Carolina	277.57	378.51	378.17
Gen. Tel. of the Southeast	265.45	373.16	424.83
Heins Telephone Co.	288.50	493.96	474.50
Lee Telephone Co.	361.05	407.11	412.62
Lexington Telephone Co.	296.62	364.05	392.15
Mebane Home Telephone	312.66	512.68	550.23
Mooreville Telephone Co.	223.94	276.84	289.94
Norfolk-Carolina Tel. & Tel. Co.	357.71	483.36	560.51
North Carolina Telephone Co. ²	671.42 ²	602.45	622.36
North State Telephone Co.	246.17	320.64	334.41
Oldtown Telephone System	377.08	497.69	491.41
Sandhill Telephone Co.	307.32	445.62	497.42
Southern Bell Tel. & Tel. Co.	364.67	419.57	427.95
Thermal Belt Telephone Co.	361.37	470.26	491.96
United Tel. Co. of Carolinas	314.89	429.52	501.98
Westco Telephone Co.	Na	688.60	697.23
Western Carolina Tel. Co. ³	451.24	542.67	585.91
Totals (Class A & B)	375.95	442.48	460.41
Class C & D			
Barnardsville Telephone Co.	236.55	197.81	212.68
Denton Telephone Company	284.99	272.25	379.40
Ellerbe Telephone Company	255.54	298.47	758.05
First Colony Tel. & Tel. Co.	328.02	1,353.77	921.90
Randolph Telephone Company	381.87	694.71	773.89
Saluda Mtn. Telephone Co.	Na	79.42	Na
Service Telephone Company	342.67	317.18	351.56
Totals (Class C & D)	312.01	371.32	478.89
Grand Totals	375.77	442.23	460.48

¹ Morris Telephone Co. merged with Central Tel. Co. Nov. 4, 1965. All figures for Morris for 1965 and prior are included in Central.

² Lilesville Telephone Co. merged with N. C. Telephone Co. Dec. 31, 1968. All figures for 1968 and prior for Lilesville are included in N. C. Telephone. 1960 figures for N. C. Telephone include Pinebluff.

³ Cooleemee merged with Western Carolina January 11, 1967. All figures for Cooleemee for years prior to 1967 are reflected in Western Carolina.

Na Not Available.

NOTE: Per phone data for all years shown is based on number of regular telephones (excluding service and private) in service at year end.

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1960, 1965 through 1970
(N. C. Data Only, Unless Otherwise Noted)

N. C. Gross Telephone Plant—Year End

1967 per phone	1968 per phone	1969 per phone	1970 Per Phone	1970 Total	1970 to 1969 % change per phone
605.95	631.09	657.69	680.30	299,027,640	3.4
430.31	444.39	465.07	522.06	68,218,359	12.3
601.52	599.06	616.82	776.13	6,755,432	25.8
380.19	391.66	403.78	423.13	23,845,789	4.8
484.30	475.58	470.60	484.25	1,865,802	2.9
443.62	494.10	530.16	620.22	8,158,993	17.0
479.63	552.30	586.83	757.89	63,862,186	29.2
471.57	460.82	473.51	481.92	7,619,197	1.8
461.21	560.82	620.46	665.94	7,825,418	7.3
414.47	419.51	460.76	533.50	9,113,184	15.8
801.05	784.23	691.37	693.07	2,540,096	.2
285.83	334.20	336.42	406.00	3,074,238	20.7
575.93	589.27	592.17	587.25	15,892,168	(.8)
640.91	688.89	781.85	804.85	16,097,071	2.9
346.60	359.11	379.41	394.86	25,407,332	4.1
487.63	476.40	552.94	525.41	7,255,963	(5.0)
503.08	509.55	527.70	586.88	1,482,463	11.2
440.52	451.15	477.50	509.07	636,996,217	6.6
539.03	557.56	577.16	590.00	2,914,002	2.2
509.81	519.84	542.84	611.00	21,163,776	12.6
691.31	782.46	728.56	828.30	13,982,482	13.7
647.19	664.48	711.78	831.06	22,850,710	16.8
477.89	496.03	522.58	561.29	1,265,948,518	7.4
226.96	233.46	236.06	266.02	94,170	12.7
520.61	551.05	552.51	561.22	918,160	1.6
737.82	777.46	665.43	692.04	750,167	4.0
881.26	944.33	940.64	870.64	160,198	(7.4)
714.87	671.08	711.46	824.89	1,735,573	15.9
Na	Na	Na	284.57	147,976	Na
352.89	378.94	398.24	417.71	250,627	4.9
564.75	569.38	648.77	625.87	4,056,871	(3.5)
478.15	496.24	522.69	561.47	1,270,005,389	7.4

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1960, 1965 through 1970
(N. C. Data Only, Unless Otherwise Noted)

N. C. Depreciation Reserve			
Class A & B	1960 per phone	1965 per phone	1966 per phone
Carolina Telephone and Telegraph	117.50	143.50	144.09
Central Telephone Company ¹	56.14	62.60	73.21
Citizens Telephone Co.	62.75	66.70	78.69
Concord Telephone Co.	54.38	79.59	85.92
Eastern Rowan Tel. Co.	101.73	125.06	134.09
Gen. Tel. Co. of North Carolina	52.46	83.01	82.92
Gen. Tel. Co. of Southeast	65.72	82.39	73.38
Heins Telephone Company	53.71	70.12	67.31
Lee Telephone Company	98.31	120.21	123.68
Lexington Telephone Co.	77.59	109.03	113.28
Mebane Home Telephone	63.58	108.44	117.64
Mooreville Telephone Co.	72.17	102.06	106.84
Norfolk-Carolina Tel. & Tel.	111.48	121.78	128.79
North Carolina Tel. Co. ²	96.10 ²	132.05	134.84
North State Telephone Co.	86.21	96.60	102.40
Oldtown Telephone System	60.04	96.88	104.29
Sandhill Telephone Co.	79.84	122.37	132.50
Southern Bell Tel. & Tel. Co.	70.59	88.95	92.33
Thermal Belt Tel. Co.	10.55	88.01	99.41
United Tel. of the Carolinas	50.87	67.39	70.11
Westco Telephone Co.	Na	91.89	97.45
Western Carolina Tel. Co. ³	91.07	131.14	116.93
Totals (Class A & B)	77.59	98.60	101.26
Class C & D			
Barnardsville Tel. Co.	45.16	58.74	67.58
Denton Telephone Co.	71.40	96.78	77.67
Ellerbe Telephone Co.	82.96	123.26	56.00
First Colony Tel. & Tel. Co.	127.76	195.96	126.68
Randolph Tel. Co.	42.20	103.96	118.95
Saluda Mtn. Tel. Co.	Na	50.12	Na
Service Telephone Co.	65.10	85.33	81.31
Totals (Class C & D)	61.49	92.47	81.86
Grand Totals	77.55	98.58	108.99

¹ Morris Telephone Co. merged with Central Tel. Co. Nov. 4, 1965. All figures for Morris for 1965 and prior are included in Central.

² Lilesville Telephone Co. merged with N. C. Telephone Co. Dec. 31, 1968. All figures for 1968 and prior for Lilesville are included in N. C. Telephone. 1960 figures for N. C. Telephone include Pinebluff.

³ Cooleemee merged with Western Carolina January 11, 1967. All figures for Cooleemee for years prior to 1967 are reflected in Western Carolina.

Na Not Available.

NOTE: Per phone data for all years shown is based on number of regular telephones (excluding service and private) in service at year end.

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1965 through 1970
(N. C. Data Only, Unless Otherwise Noted)

N. C. Depreciation Reserve					
1967 per phone	1968 per phone	1969 per phone	1970 Per Phone	1970 Total	1970-1969 % Change per phone
145.64	147.70	149.13	154.84	68,060,116	3.8
74.90	77.83	80.95	86.75	11,335,184	7.2
95.70	113.11	120.84	140.31	1,221,238	16.1
90.21	95.74	104.33	114.35	6,444,171	9.6
141.34	148.41	150.35	155.91	600,707	3.7
84.04	82.11	87.31	83.19	1,094,301	(4.7)
77.72	86.33	96.14	119.61	10,078,329	24.4
72.91	78.72	101.38	109.88	1,737,220	8.4
120.15	106.81	107.17	99.24	1,166,146	(7.4)
114.59	114.96	119.37	127.14	2,171,848	6.5
135.97	155.87	161.79	182.13	667,492	12.6
108.49	110.59	114.53	121.72	921,652	6.3
138.39	139.81	144.04	151.72	4,105,842	5.3
136.91	136.92	129.71	121.70	2,433,955	(6.2)
108.61	112.19	115.93	122.31	7,869,958	5.5
112.78	120.33	127.69	126.75	1,750,447	(.7)
148.80	156.82	168.07	186.00	469,838	10.7
97.54	101.96	107.92	112.59	140,888,823	4.3
109.82	114.21	115.39	124.24	613,622	7.7
66.18	70.84	73.57	80.83	2,799,646	9.9
94.17	116.38	85.91	96.69	1,632,202	12.5
112.39	89.87	91.49	102.10	2,807,261	11.6
105.45	109.32	114.10	120.10	270,869,998	5.3
75.70	84.22	91.24	98.57	34,892	8.0
69.27	71.03	60.78	76.24	124,733	25.4
78.44	99.80	118.70	133.60	144,824	12.6
116.04	129.65	137.61	146.30	26,919	6.3
130.16	142.48	156.14	170.72	359,190	9.3
Na	Na	Na	85.43	44,424	Na
82.27	92.93	104.96	116.36	69,813	10.9
95.00	109.01	124.50	124.16	804,795	(.3)
105.42	109.32	114.08	120.11	271,674,793	5.3

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS
For the Years Ended December 31, 1960, 1965 through 1970
(N. C. Data Only, Unless Otherwise Noted)

N. C. Net Telephone Plant			
Class A & B	1960 per phone	1965 per phone	1966 per phone
Carolina Tel. & Tel. Company	396.01	413.31	445.61
Central Telephone Company ¹	260.39	327.98	341.00
Citizens Telephone Co.	266.91	504.86	513.95
Concord Telephone Co.	202.84	255.36	265.10
Eastern Rowan Telephone Co.	258.62	352.77	348.64
Gen. Tel. Co. of North Carolina	225.11	295.49	295.24
Gen. Tel. Co. of the Southeast	199.73	290.78	351.45
Heins Telephone Co.	234.78	423.84	407.19
Lee Telephone Co.	262.74	286.89	288.93
Lexington Telephone Co.	219.02	255.03	278.86
Mebane Home Telephone	249.08	404.24	432.58
Mooreville Telephone Co.	151.07	174.79	183.09
Norfolk-Carolina Tel. & Tel. Co.	264.22	361.58	431.72
North Carolina Tel. Co. ²	575.32 ²	470.40	487.52
North State Telephone Co.	174.57	224.04	232.00
Oldtown Telephone System	317.04	400.80	387.11
Sandhill Telephone Co.	227.47	323.25	364.92
Southern Bell Tel. & Tel. Co.	294.08	330.63	335.62
Thermal Belt Telephone	350.81	382.25	392.54
United Tel. Co. of Carolinas	264.02	362.13	431.87
Westco Telephone Co.	1 Na	596.70	599.78
Western Carolina Tel. Co. ³	360.17	411.53	468.98
Totals (Class A & B)	298.35	343.88	359.15
Class C & D			
Barnardsville Telephone Co.	191.39	139.07	145.10
Denton Telephone Co.	213.58	175.47	301.74
Ellerbe Telephone Co.	172.57	175.20	702.05
First Colony Tel. & Tel. Co.	200.26	1,157.81	795.22
Randolph Telephone Co.	339.66	590.75	654.94
Saluda Mtn. Telephone Co.	Na	29.31	Na
Service Telephone Co.	302.13	231.85	270.24
Totals (Class C & D)	250.51	278.85	397.11
Grand Totals	298.22	343.65	359.28

¹ Morris Telephone Co. merged with Central Tel. Co. Nov. 4, 1965. All figures for Morris for 1965 and prior are included in Central.

² Lilesville Telephone Co. merged with N. C. Telephone Co. Dec. 31, 1968. All figures for 1968 and prior for Lilesville are included in N. C. Telephone. 1960 figures for N. C. Telephone include Pinebluff.

³ Cooleemee merged with Western Carolina January 11, 1967. All figures for Cooleemee for years prior to 1967 are reflected in Western Carolina.

Na Not Available

NOTE: Per phone data for all years shown is based on number of regular telephones (excluding service and private) in service at year end.

FIGURE NO. 31—Continued

GROSS AND NET TELEPHONE PLANT ALLOCATED TO NORTH CAROLINA OPERATIONS

For the Years Ended December 31, 1960, 1965 through 1970

(N. C. Data Only, Unless Otherwise Noted)

N. C. Net Telephone Plant

1967 per phone	1968 per phone	1969 per phone	1970 per phone	1970 Total	1970 to 1969 % change per phone
460.31	483.39	508.56	525.46	230,967,524	3.3
355.41	366.56	384.12	435.31	56,883,175	13.3
505.82	485.94	495.98	635.82	5,534,194	28.2
289.98	295.91	299.45	308.78	17,401,618	3.1
342.96	327.17	320.25	328.34	1,265,095	2.5
359.58	411.98	442.85	537.03	7,064,692	21.3
401.92	465.97	490.69	638.28	53,783,857	30.1
398.66	382.10	372.13	372.04	5,881,977	—0—
341.06	454.01	513.29	566.70	6,659,272	10.4
299.88	304.55	341.39	406.36	6,941,336	19.0
665.08	628.36	529.58	510.94	1,872,604	(15.4)
177.35	223.61	221.89	284.28	2,152,586	28.1
437.54	449.46	448.13	435.53	11,786,326	(2.8)
504.00	551.97	652.14	683.15	13,663,116	4.8
237.99	246.91	263.48	272.55	17,537,374	3.4
374.85	356.07	425.25	398.66	5,505,516	(6.3)
354.28	352.72	359.63	400.88	1,012,625	11.5
342.97	349.19	369.58	396.48	496,107,394	7.3
429.22	443.35	461.77	465.76	2,300,380	.9
443.62	449.00	469.27	530.17	18,364,130	13.0
597.14	666.07	642.65	731.61	12,350,280	13.8
534.80	574.61	620.29	728.96	20,043,449	17.5
372.44	386.70	408.48	441.19	995,078,520	8.0
151.26	149.23	144.82	167.45	59,278	15.6
451.34	480.02	491.73	484.98	793,427	(1.4)
659.38	677.65	546.73	558.44	605,343	2.1
765.22	814.68	803.03	724.34	133,279	(9.8)
584.70	528.59	555.32	654.17	1,376,383	17.8
Na	Na	Na	199.14	103,552	Na
270.62	286.01	293.28	301.35	180,814	2.8
469.74	460.37	524.27	501.71	3,252,076	(4.3)
372.73	386.92	408.61	441.36	998,330,596	8.0

FIGURE No. 32

TELEPHONE COMPANIES—CLASSES A, B, C, AND D
Summary of Selected Income, Expense, Balance Sheet and Customer Statistics
For the Calendar Years of 1960, 1965 through 1970
(N. C. Data Only, Unless Otherwise Noted)

Item	1960	1965	1966
Number of Companies Regulated	34	32	31
Number Included in this Data	34	32	31
Income Items (N. C. Only):			
Local Service Revenue	70,625,305	103,539,982	114,187,692
Toll Service Revenue	53,179,613	86,629,437	99,525,900
Misc. Revenue less Uncollectibles	4,743,075	7,613,210	8,798,026
Total Operating Revenues	128,547,993	197,782,629	222,511,618
Expense Items:			
Maintenance Expense	19,755,479	31,723,199	35,427,524
Depreciation	19,050,795	32,057,147	35,655,565
Traffic	15,722,284	21,268,162	23,979,493
Taxes:			
State Income Taxes	2,062,046	3,376,780	3,832,940
State Gross Receipt Taxes	N.Apl.	9,151,524	10,141,543
Federal Income Tax on N. C. Income	17,892,971	24,278,856	28,379,928
Local Property Taxes	N.Apl.	5,826,558	6,559,704
Total Taxes	19,955,017	42,633,718	48,914,115
Total Operating Expenses	106,486,043	161,752,229	180,880,656
Net Operating Revenue	22,061,950	36,030,400	41,630,962
Balance Sheet Items (N. C. Only):			
Utility Plant (Gross) Year End ¹	431,647,180	690,389,810	774,302,404
Depreciation Reserve	89,083,782	153,896,401	170,156,865
Utility Plant (Net) Year End ¹	342,563,398	536,493,409	604,145,539
Balance Sheet Items (Systemwide):			
Long-term debt	705,568,813	1,110,036,687	1,191,253,617
Total Capitalization	2,242,115,412	3,494,773,751	3,820,481,245
Long-term Debt % of Total			
Capitalization (Exc. Southern Bell)	30.3 ²	31.8 ²	31.2 ²
Long-term Debt % of Total			
Capitalization (Exc. Southern Bell)	44.3 ²	46.4 ²	45.7 ²
Statistics (N. C. Only):			
Telephones in Service—Year End:			
Residence—Mains	694,189	891,622	945,218
Extensions	152,432	262,804	300,772
Total—Residence	846,621	1,154,426	1,245,990
Business—Mains	113,949	140,054	142,667
Extensions	81,036	115,478	119,236
Total—Business	194,985	255,532	261,903
Coin Operated, PBX Units & Special Services	128,716	178,416	201,648
Grand Totals—All Telephones in Service	1,170,322	1,588,374	1,709,401
Average Number of Calls per Telephone:			
(Class A & B Only):			
Local	2,367	2,213	2,151
Toll	55	64	66
Total Average Number of Employees	10,393	12,324	13,530
Total Wages & Benefits Paid Employees (Est.)	47,267,364	68,423,000	74,645,061
Average Annual Wages & Benefits Paid Employees	4,548	5,552	5,517

N Apl. Not Applicable.

¹ Utility Plant includes plant in service and under construction.

² Weighted Average.

³ Data For First Colony Telephone Co. not included.

FIGURE No. 32—Continued

TELEPHONE COMPANIES—CLASSES A, B, C, AND D
Summary of Selected Income, Expense, Balance Sheet and Customer Statistics
For the Calendar Years of 1960, 1965 through 1970
(N. C. Data Only, Unless Otherwise Noted)

1967	1968	1969	1970	% Change More (Less) 1969 to 1970
30	30	30	29	
30	29 ³	30	29 ³	
125,359,387	138,760,409	153,924,659	168,707,689	9.6
110,842,272	129,433,849	153,178,810	163,505,818	6.7
9,608,178	10,555,878	10,980,492	11,046,251	.6
245,809,837	278,750,136	318,083,961	343,259,758	7.9
39,688,498	44,877,102	44,751,714	58,877,694	31.6
39,945,353	44,350,615	49,863,042	55,898,164	12.1
25,921,036	28,394,521	25,665,593	35,178,788	37.1
4,091,823	4,362,215	4,785,034	4,450,948	(7.0)
11,045,227	12,278,330	13,799,340	14,967,767	8.5
28,029,049	35,563,557	34,476,050	33,951,630	(1.5)
7,686,876	8,704,782	10,250,643	11,775,455	14.9
53,741,579	60,908,884	63,311,067	65,145,800	2.9
200,168,386	228,683,594	259,471,507	277,034,756	6.8
45,641,451	50,066,542	58,612,454	66,225,002	13.0
863,447,263	969,338,153	1,102,133,859	1,270,005,389	15.2
190,364,248	213,549,734	240,542,355	271,674,793	12.9
673,083,015	755,788,419	861,591,504	998,330,596	15.9
1,244,587,306	859,484,496	1,044,274,638	1,363,554,454	30.6
4,160,603,174	2,705,252,937	2,887,215,018	3,506,564,751	21.5
29.2 ²	31.7 ²	36.2 ²	38.9 ²	7.5
45.9 ²	49.0 ²	57.3 ²	49.0 ²	(14.5)
999,959	1,062,701	1,125,666	1,183,560	5.1
337,373	386,373	436,592	493,942	13.1
1,337,332	1,449,074	1,562,258	1,677,502	7.4
152,652	161,202	173,454	185,393	6.9
126,111	135,133	147,059	155,616	5.8
278,763	296,335	320,513	341,009	6.4
215,992	235,174	250,909	272,202	8.5
1,832,087	1,980,583	2,133,680	2,290,713	7.4
2,102	2,218	2,001	2,281	14.0
68	70	69	84	21.7
14,561	15,219	16,526	17,791	7.7
82,027,988	93,946,245	108,143,449	121,531,154	12.4
5,730	6,173	6,544	6,831	4.4





V. The Transportation Industry - Motor

FIGURE NO. 33

MOTOR FREIGHT CARRIERS—CLASSES I AND II
Vehicle Miles Operated In North Carolina
With Total % Increase 1970 over 1969

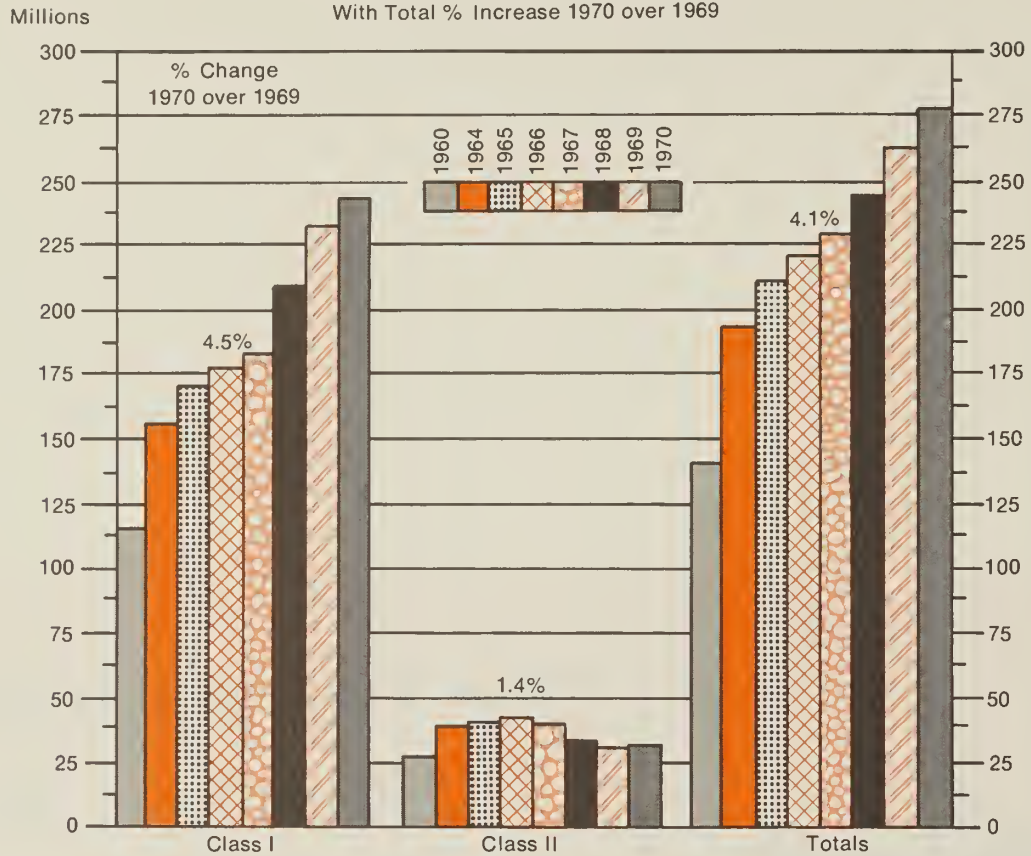
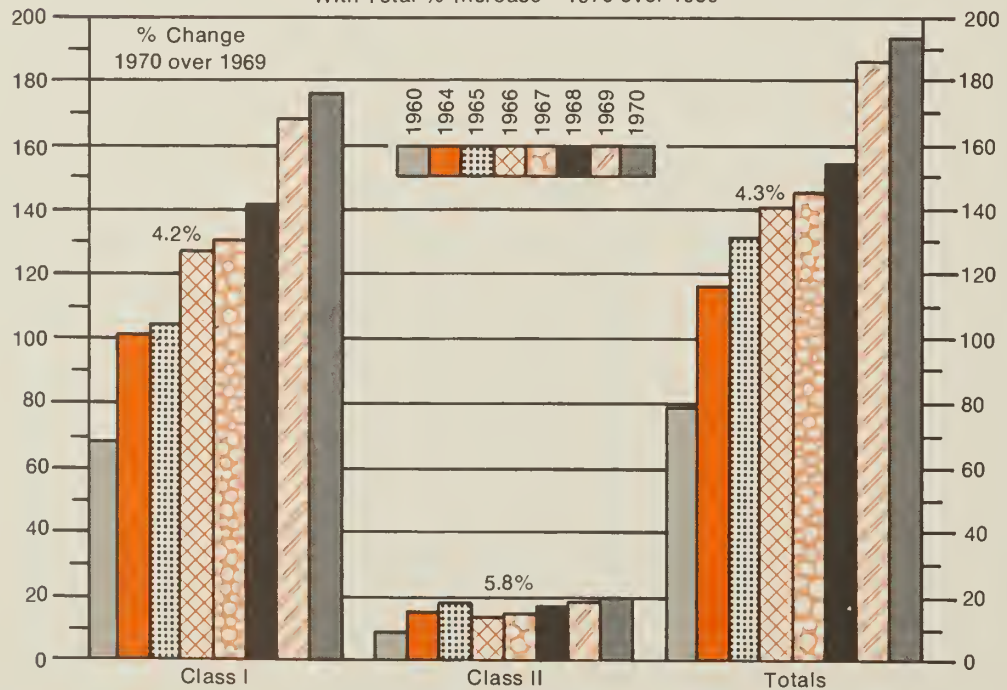


FIGURE NO. 34

MOTOR FREIGHT CARRIERS—CLASSES I AND II
Operating Revenues Allocated to North Carolina
With Total % Increase—1970 over 1969



THE TRANSPORTATION INDUSTRY—MOTOR

There were 629 regulated motor freight carriers in 1970, the same as 1969. The number of passenger carriers decreased slightly, with 70 in 1970 and 71 in 1969. Included in these motor passenger carriers were nine (9) intracity carriers whose rates were regulated by the Commission, but not their quality or level of service. Also, the Commission issues certificates of exemption to motor carriers engaged in transporting passengers or commodities which are exempted from regulation either by statute or by administrative ruling of the Commission. Certificates of exemption are also issued to persons who own equipment for the purpose of leasing it. These exemption certificates are issued pursuant to the requirements of Article 2 of the Commission's Motor Carrier Regulations. The issuance thereof constitutes approval by the Commission of the purchase from the Department of Motor Vehicles of "for hire" license plates for vehicles owned by and registered in the name of the party to whom such certificate of exemption is issued, and they are of substantial value to the Commission in determining the nature and extent of the transportation industry and in enforcing laws, rules, and regulations against illegal operations.

There were 9,081 outstanding exempt certificates as of December 31, 1969, and 9,594 as of December 31, 1970, an increase of 513.

MOTOR FREIGHT CARRIERS

Commission Activity—The volume of formal type Commission hearings and investigative matters for the trucking industry exceeded those of any other regulated utility group. During 1969, a total of 90, or 51.7% of the 174 formal hearings were related to the trucking industry; for 1970, these figures decreased to 71 or 34.6% of a total of 205 formal hearings.

While many of the hearings and work of the Commission related to the trucking industry revolves around requests for new certificates, transfers and sales of certificates, the net results of these activities leave the total number of franchises and permits virtually unchanged. The following tabulation by types of motor freight carriers is illustrative:

Type	1966	1967	1968	1969	1970
Common	518	514	523	530	530
Contract	74	79	70	72	72
Common & Contract	22	24	24	22	22
Railroad Motor	6	6	5	5	5
Total	620	623	622	629	629

STATISTICAL SUMMARY DATA

Motor freight carriers are divided into groups according to annual gross revenue. These groups and the number of carriers in each are:

- Class I —Motor freight carriers having \$1,000,000 or more annual operating revenues (72 in 1969 and 77 in 1970)
- Class II —Motor freight carriers having \$200,000 to \$1,000,000 annual operating revenues (53 in 1969 and 55 in 1970)
- Class III —Motor freight carriers having under \$200,000 annual operating revenues (504 in 1969 and 497 in 1970)

The Class I and II carriers move both intrastate and interstate freight while the Class III carriers predominately operate only in intrastate commerce.

The motor freight statistical summary data for 1969 and 1970 includes only the Class I and II carriers. These carriers, even though minor in the total number of carriers under regulation in North Carolina, account for over 90% of freight revenues received by the regulated motor freight industry.

Vehicle miles operated in North Carolina by the Class I & II carriers increased from 264,609,728 miles in 1969 to 275,487,928 miles in 1970 for a 4.1% increase in 1970 over 1969.

Figure No. 33 shows graphically the yearly upward trend in vehicle miles operated for the period 1960-1970 by the Class I and II motor freight carriers.

Operating revenues allocated to North Carolina operations for the Class I & II motor freight carriers increased in 1969 over 1968 by \$25,693,877 or 15.4% and in 1970 over 1969 by \$1,685,018 or .9% for an all-time high of over \$194 million.

Systemwide data for these same carriers show an increase for 1970 over 1969 of 26.8% in operating revenues, and an increase of 26.0% in operating expenses, resulting in an operating ratio for 1970 of 95.2%. The operating ratio is the percent relationship of total operating expenses to total operating revenues—the lower the operating ratio, the more profitable the operations.

Figure No. 34 shows graphically the yearly upward trend in operating revenues allocated to North Carolina operations of the Class I and II motor freight carriers.

Additional statistical data for all Class I & II motor freight carriers operating in North Carolina is shown in Figure No. 37.

A list of Class I & II motor freight carriers with selected operating financial data is shown in Figure Nos. 35 and 36.

FIGURE NO. 35

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970
(North Carolina and Total System)

CLASS I MOTOR CARRIERS	Operating Revenues in N. C.				
	1960	1967	1968	1969	1970
Akers Motor Lines, Inc.	\$ 3,457,596	\$ 6,258,827	\$ 7,671,688	\$ 7,294,450	\$ 7,739,986
Associated Petroleum Carriers, Inc.	1,776,000	1,936,332	2,277,797	2,550,979	2,855,506
Barnes Truck Line, Inc.	444,878	575,193	827,650	968,388	1,059,384
Billings Transfer Corp., Inc.	270,000	494,161	656,954	784,023	879,215
Boone Company, The A. G.	1,920,078	2,671,482	2,916,816	3,030,764	3,470,080
Burton Lines, Inc.	224,289	1,001,236	775,342	985,940	1,188,722
Byrd Motor Line, Inc.	—0—	346,636	429,261	414,068	446,672
Carolina Delivery Service Co.	964,523	1,552,532	1,991,976	2,050,486	2,305,867
Carolina Freight Carriers Corp.	2,687,000	6,701,577	7,517,651	9,019,770	9,583,916
Carroll's Transfer, Inc.**	337,530	282,325	323,714	352,106	362,018
Central Motor Lines, Inc.	3,387,000	4,826,625	5,265,230	5,672,889	5,677,205
Central Transport Inc.	N.Apl.	600,853	810,036	957,466	1,278,982
Chemical Leaman Tank Lines, Inc.	3,468,882	160,669	264,995	313,073	414,776
Claremont Motor Lines, Inc.	6,000	154,027	211,415	284,935	331,017
Colonial Motor Freight Line, Inc.	714,969	945,118	1,158,537	1,318,839	1,502,554
DeWitt, L. G. Inc.	145,579	184,938	200,029	229,720	234,702
Eastern Motor Lines, Inc.	N.Apl.	298,133	310,461	312,133	239,039
Epes Transport System, Inc.	1,527,000	1,548,851	1,594,960	1,702,179	2,080,371
Estes Express Lines, Inc.	1,092,824	2,282,046	2,856,412	4,300,550	5,099,422
Fernstrom Storage and Van Company ¹	N.Apl.	N.Apl.	N.Apl.	120,463	199,074
Fleet Transport Co., Inc.	N.Apl.	N.Apl.	29,560	36,801	92,735
Forbes Transfer Co., Inc.	321,494	691,551	706,744	739,221	1,165,813
Fowler, R. D., Motor Lines, Inc.	304,541	410,543	577,606	464,649	441,446
Fredrickson Motor Express Corp.	2,809,000	5,757,109	6,700,629	7,267,603	7,755,849
Garland, R. H., & Co., Inc.	952,000	666,697	489,858	486,365	492,746
Glosson Motor Lines, Inc.	N.Apl.	1,161,186	N.Apl.	1,692,229	1,152,534
Goldston Transfer, Inc.**	160,000	430,021	523,017	661,357	865,537
Greyhound Storage, Inc.	9,884	67,917	46,673	52,736	32,291
Guignard Freight Lines, Inc.	N.Apl.	399,059	607,888	530,357	643,076
Harper Motor Lines	421,000	798,146	947,969	929,868	638,008
Helms Motor Express, Inc.	1,978,383	3,382,948	3,475,380	3,105,187	2,812,110
Hemingway Transport, Inc.	2,202,316	3,751,439	4,085,862	9,816,696	269,597
Hennis Freight Lines, Inc.	3,221,000	10,490,284	10,167,513	11,283,205	9,409,072
Henry, C. S., Transfer, Inc.*	121,417	154,538	162,872	283,182	302,367
Holly Farms Poultry Indus., Inc.	148,109	232,261	293,381	407,482	484,225
Home Transportation Co., Inc.	N.Apl.	359,556	443,330	656,966 ^E	578,382
Johnson Motor Lines, Inc.	2,310,000	5,424,924	6,522,207	6,766,295	7,584,371
Kenan Transport Company, Inc.*	127,895	185,551	598,159	658,154	737,676
Laney Tank Lines, Inc.	274,000	420,066	445,241	506,792	558,143
M & M Tank Lines, Inc.	29,914	1,030,443	1,191,245	1,286,917	1,378,183
Mangum Trucking Co., Inc.	104,880	158,756	137,490	125,074 ^E	131,434
McLean Trucking Co.	4,881,280	8,357,164	9,691,799	11,150,121	12,818,900
Maybelle Transport Co.	557,496	792,609	977,182	1,239,936	1,227,495
Mitchell Transport, Inc.	N.Apl.	149,613	181,829	307,515	34,939
Morgan Drive Away, Inc.	27,297	378,372	514,092	327,646	126,442
Moss Trucking Co., Inc.	171,286	656,786	800,451	955,984	948,136
Motor Convoy, The, Inc.	N.Apl.	N.Apl.	2,503,040	2,623,722	2,225,864
Murrow's Transfer, Inc.	180,000	398,730	429,726	476,898	496,453
National Trailer Convoy, Inc.	64,651	239,028	279,331	346,728	378,395
Northeastern Trucking Co.	251,552	770,898	884,235	1,040,512	1,261,396
North State Motor Lines, Inc.	387,340 ^E	489,830	474,565	549,758	552,630
O'Boyle Tank Lines, Inc.	290,900	7,464	972,214	1,277,892	404,241
Observer Transportation Co., The	645,000	1,260,025	1,243,053	1,285,758	527,667
Old Dominion Freight Line	N.Apl.	3,424,464	3,901,762	4,244,708	5,474,155
Oliver Trucking Co., Inc.	N.Apl.	82,363	98,774	163,053	162,562
Overnite Transportation Co.	8,670,350	14,546,619	15,191,522	16,571,552	19,434,331
Pilot Freight Carriers, Inc.	4,159,730	843,453	1,075,950	1,190,425	1,176,060
R-C Motor Lines, Inc.	842,491	3,022,962	3,344,531	3,654,944	3,656,523
Redwing Carriers, Inc.	N.Apl.	NA	NA	NA	N.Apl.
S & W Motor Lines, Inc.	497,254	959,451	1,100,832	1,107,228	1,093,749
Schwerman Trucking	100,905	685,129	1,305,486	1,416,757	952,033
Seacoast Transportation Co., The	NA	42,936	54,354	67,403	21,947
Shamrock Van Lines, Inc. ²	86,086	56,865	366,487	264,628	N.Apl.
Signal Delivery Service, Inc.	N.Apl.	N.Apl.	NA	1,425,461	1,759,920
Standard Trucking Company	1,504,344	4,060,328	4,718,459	4,075,450	5,587,111
Superior Trucking Co., Inc.	NA	31,384	52,595	52,250	1,124,875
Tallant Transfer, Inc.	446,283	988,313	NA	309,631	766,832
Textile Motor Freight, Inc.	181,192	298,756	302,303	339,225	384,302
Thurston Motor Lines, Inc.	3,853,000	8,964,986	10,473,870	8,979,953	11,872,161
Transit Homes, Inc.	3,004 ^E	319,364	351,842	452,643	481,913
United Parcel Service, Inc.	N.Apl.	9,084,042	13,103,929	17,716,404	14,401,120
Vance Trucking Co., Inc.	487,224	670,195	537,638	529,135	469,995
Washburn Storage Co.	96,725	155,162	134,401	162,481	158,245
Williamson Truck Lines	N.Apl.	258,864	257,808	286,518	432,139
Wilson Freight Co.	N.Apl.	N.Apl.	N.Apl.	322,859	357,361
Yeary Transfer Co., Inc.	2,271	192,550	NA	199,887	254,421
Youngblood Truck Lines, Inc.	1,532,577	78,255	95,729	123,459	82,402
TOTALS	\$67,840,219	\$131,061,516	\$151,633,337	\$175,658,581	\$175,580,818
ADJUSTED TOTALS*				\$175,393,953	\$175,580,818

* Adjusted total for 1970 excludes data for companies not having data for both years (1970, 1969)

E Estimated

NA Not Available

N.Apl. Not Applicable

** Transferred from Class II

¹ Began operations in 1969² No data for 1970. Began operations on May 6, 1971 under the name of Dawson-Joyce Moving & Storage Company (Docket No. T-1550).

FIGURE NO. 35—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970
(North Carolina and Total System)

Total Operating Revenues					Total Operating Expenses	
1960	1967	1968	1969	1970	1960	1967
\$ 18,481,815	\$ 31,355,908	\$ 35,388,951	\$ 33,745,762	\$ 36,004,455	\$ 17,911,333	\$ 31,210,489
6,505,000	8,147,643	9,542,356	10,642,457	11,767,685	6,472,000	8,146,155
1,132,870	1,584,554	2,270,209	2,692,961	2,807,183	1,048,899	1,449,655
1,043,000	1,868,992	2,381,096	2,820,227	3,174,062	966,000	1,684,195
3,421,013	5,213,296	5,675,638	5,571,819	6,212,460	2,945,813	4,911,451
402,125	1,773,481	1,699,939	2,092,401	2,476,505	395,419	1,747,268
611,410	2,249,423	2,896,500	2,940,825	2,881,755	474,466	2,185,428
1,160,236	2,087,534	2,503,168	2,557,354	2,848,508	1,105,123	2,111,028
15,730,000	39,152,010	45,378,879	53,881,543	60,428,225	15,370,000	38,192,762
337,530	677,203	751,077	819,424	898,307	327,563	649,713
12,668,000	18,789,706	20,542,428	21,286,558	21,284,464	11,934,000	19,882,407
N.Apl.	843,896	1,300,058	1,650,803	2,062,875	N.Apl.	771,639
32,572,351	59,445,879	69,389,296	76,439,011	79,734,828	30,911,287	57,628,697
6,000	901,229	1,137,793	1,358,776	1,573,069	6,000	824,266
1,636,304	3,763,124	4,096,971	4,454,034	4,961,643	1,547,432	3,339,629
1,070,101	1,829,331	2,019,758	2,207,922	2,241,462	1,048,678	1,766,473
N.Apl.	926,463	1,017,966	1,088,195	932,256	N.Apl.	927,953
3,058,000	3,239,916	3,510,344	3,955,795	4,681,934	2,949,000	3,215,953
1,382,064	6,169,199	7,410,394	7,777,468	9,092,244	1,327,174	6,061,461
N.Apl.	N.Apl.	N.Apl.	7,073,615	8,172,161	N.Apl.	N.Apl.
N.Apl.	N.Apl.	10,557,658	12,462,051	13,851,309	N.Apl.	N.Apl.
757,575	1,359,287	1,398,996	1,430,242	2,234,643	745,252	1,314,092
793,386	1,272,145	1,444,015	1,326,811	1,496,460	807,678	1,283,708
2,809,000	5,910,790	6,923,568	7,524,957	8,138,351	2,600,000	5,536,215
952,000	1,238,983	1,330,774	1,324,885	1,366,461	857,000	1,217,045
N.Apl.	5,877,348	N.Apl.	6,469,349	6,344,866	N.Apl.	5,536,650
594,000	1,806,050	2,169,296	2,564,393	3,133,733	536,000	1,597,820
1,270,760	1,953,493	2,321,019	2,911,206	2,874,677	1,168,730	1,842,565
N.Apl.	1,343,599	1,710,962	1,797,652	2,048,403	N.Apl.	1,246,303
3,860,000	9,259,238	8,876,115	9,625,966	8,824,450	3,813,000	9,273,845
1,978,383	3,382,948	3,475,380	3,105,187	2,812,110	1,975,698	3,355,442
4,112,634	8,112,922	8,934,751	7,374,244	49,560,906	3,996,462	7,718,097
20,839,000	54,381,980	64,555,639	70,300,341	58,491,290	19,612,000	54,461,750
578,755	853,802	880,953	982,984	1,152,742	512,754	807,154
769,797	1,510,150	2,085,907	3,115,303	3,751,354	667,448	1,396,177
N.Apl.	5,203,409	6,832,017	10,138,370	11,453,102	N.Apl.	4,974,507
10,082,000	31,431,165	36,064,832	36,367,450	40,301,875	10,657,000	29,745,155
127,895	185,551	800,748	1,016,519	1,021,712	103,696	180,330
935,000	1,373,662	1,525,843	1,700,072	1,769,075	746,000	1,096,761
29,914	1,116,043	1,341,946	3,562,892	3,878,927	42,274	1,048,195
873,858	1,058,374	1,051,954	1,016,861	1,184,088	879,704	1,019,540
34,566,374	96,160,967	113,861,148	14,241,300	156,650,244	34,114,358	88,892,387
707,963	1,019,636	1,243,269	1,605,847	1,667,112	687,003	965,747
N.Apl.	11,399,017	12,490,142	14,769,949	13,438,054	N.Apl.	11,078,143
5,632,849	15,355,574	21,123,061	26,637,898	27,013,743	5,307,630	14,045,542
582,067	2,440,678	3,145,192	3,612,940	4,079,759	569,102	2,305,630
N.Apl.	N.Apl.	12,994,189	12,798,645	11,593,044	N.Apl.	N.Apl.
468,000	1,310,750	1,495,926	1,704,827	1,849,676	445,000	1,297,434
5,444,522	12,446,801	15,090,304	15,982,021	18,018,828	5,294,173	11,970,535
1,433,347	3,785,319	4,646,534	5,564,237	6,418,110	1,406,344	3,735,645
1,117,220	1,081,216	969,346	997,161	986,023	1,098,417	1,086,451
871,088	6,645,991	7,761,572	9,361,845	9,979,695	835,830	6,497,735
1,024,000	1,279,925	1,390,025	1,432,392	1,529,471	1,002,000	1,236,822
N.Apl.	5,402,215	6,186,399	6,813,335	10,729,430	N.Apl.	5,054,672
N.Apl.	1,033,617	1,417,545	1,537,099	1,548,205	N.Apl.	979,673
22,006,884	37,279,906	42,198,672	46,958,208	53,924,336	20,869,358	31,612,606
15,697,096	27,253,944	30,493,232	31,786,585	38,746,605	15,295,911	25,870,081
10,041,609	16,944,854	18,747,400	19,724,469	20,427,504	9,848,494	16,710,508
N.Apl.	6,777,519	6,816,451	5,874,220	6,378,724	N.Apl.	5,594,663
1,819,442	3,577,660	4,098,217	4,243,218	4,158,151	1,757,920	3,460,933
100,905	34,472,990	38,093,402	43,458,791	41,939,785	79,285	32,500,426
NA	1,891,464	2,731,366	3,256,201	3,006,457	N.Apl.	1,887,216
1,459,097	7,253,239	5,023,809	4,134,809	N.Apl.	1,451,276	7,449,838
N.Apl.	N.Apl.	21,063,684	27,533,142	50,356,651	N.Apl.	N.Apl.
2,873,079	7,393,976	8,758,270	8,004,283	9,327,397	2,860,749	7,161,656
NA	9,253,677	10,024,807	11,904,605	12,430,311	NA	8,014,516
2,716,271	2,594,424	2,517,923	2,064,206	1,394,240	2,702,031	2,589,294
1,279,280	2,086,284	2,134,029	2,253,990	2,528,300	1,303,916	2,013,031
6,539,000	19,925,662	25,009,239	28,150,324	30,812,773	6,062,000	19,001,825
1,001,253	6,206,056	6,802,817	7,392,503	8,031,889	991,987	5,774,640
N.Apl.	216,802,941	262,662,367	320,844,729	393,161,701	N.Apl.	204,735,581
1,172,762	1,746,248	2,014,567	1,957,000	1,814,831	1,156,637	1,720,616
759,816	1,548,523	1,562,803	1,876,223	1,953,646	805,505	1,249,518
N.Apl.	862,508	978,898	1,608,746	1,834,323	N.Apl.	806,308
N.Apl.	N.Apl.	N.Apl.	50,446,685	54,145,544	N.Apl.	N.Apl.
1,453,099	1,266,776	1,143,907	995,951	902,203	1,467,717	1,242,934
4,686,109	8,068,586	9,937,984	11,536,136	10,236,136	4,602,193	7,855,727
\$278,034,908	\$901,218,669	\$1,089,823,690	\$1,184,239,205	\$1,502,939,516	\$268,475,719	\$857,756,206
			\$1,180,104,396	\$1,502,939,516		

FIGURE NO. 35—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS I

Income Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970
(North Carolina and Total System)

CLASS I MOTOR CARRIERS	Total Operating Expenses			Net Operating Revenue Total System	
	1968	1969	1970	1960	1967
Akers Motor Lines, Inc.	\$ 33,753,084	\$ 32,509,040	\$ 34,305,557	\$ 570,482	\$ 145,419
Associated Petroleum Carriers, Inc.	9,535,359	10,678,273	11,754,046	33,000	1,488
Barnes Truck Line, Inc.	1,909,495	2,217,736	2,322,027	83,971	134,899
Billings Transfer Corp., Inc.	2,228,521	2,740,352	2,992,789	77,000	184,797
Boone Company, The A. G.	5,302,114	5,515,907	5,956,636	475,200	301,845
Burton Lines, Inc.	1,639,634	2,024,522	2,401,674	6,706	26,213
Byrd Motor Line, Inc.	2,602,129	2,818,483	2,760,788	136,944	63,995
Carolina Delivery Service Co.	2,549,813	2,490,647	2,827,350	55,113	(23,494)
Carolina Freight Carriers Corp.	42,620,616	51,009,025	56,520,844	360,000	959,248
Carroll's Transfer, Inc.**	710,232	791,692	876,570	9,967	27,490
Central Motor Lines, Inc.	20,604,485	20,655,506	21,134,773	734,000	(1,092,701)
Central Transport Inc.	1,028,294	1,421,197	1,840,701	N.Apl.	72,257
Chemical Leaman Tank Lines, Inc.	64,553,936	71,785,296	77,311,277	1,661,064	1,817,182
Claremont Motor Lines, Inc.	1,028,174	1,226,250	1,473,969	-0-	76,963
Colonial Motor Freight Line, Inc.	3,636,338	4,079,635	4,497,705	88,872	423,495
DeWitt, L. G. Inc.	1,912,409	2,149,018	2,175,117	21,423	62,858
Eastern Motor Lines, Inc.	998,169	1,098,293	972,692	N.Apl.	(1,390)
Epes Transport System, Inc.	3,387,372	3,872,280	4,548,296	109,000	23,963
Estes Express Lines, Inc.	7,196,136	7,517,278	8,322,810	54,890	107,738
Fernstrom Storage and Van Company ¹	N.Apl.	7,224,886	8,555,741	N.Apl.	N.Apl.
Fleet Transport Co., Inc.	10,285,083	12,188,690	13,363,329	N.Apl.	N.Apl.
Forbes Transfer Co., Inc.	1,342,111	1,387,187	2,143,807	12,323	45,195
Fowler, R. D., Motor Lines, Inc.	1,396,414	1,295,731	1,452,372	(14,292)	(11,563)
Fredrickson Motor Express Corp.	6,549,096	7,309,257	7,612,048	209,000	374,575
Garland, R. H., & Co., Inc.	1,267,201	1,298,855	1,305,589	95,000	21,938
Glosson Motor Lines, Inc.	N.Apl.	5,961,731	5,717,573	N.Apl.	340,698
Goldston Transfer, Inc.**	2,006,980	2,329,831	2,987,973	58,000	208,230
Greyhound Storage, Inc.	2,230,207	2,891,446	2,616,978	102,030	110,928
Guignard Freight Lines, Inc.	1,553,621	1,634,040	1,813,562	N.Apl.	97,296
Harper Motor Lines	9,659,238	10,343,518	9,945,799	47,000	(14,607)
Helms Motor Express, Inc.	3,625,554	3,346,378	3,020,747	2,685	27,506
Hemingway Transport, Inc.	8,877,572	8,011,007	48,276,881	116,172	394,825
Hennis Freight Lines, Inc.	62,680,526	71,284,189	63,116,824	1,227,000	(79,770)
Henry, C. S., Transfer, Inc.**	823,407	869,348	972,538	66,001	46,648
Holly Farms Poultry Indus., Inc.	1,979,398	3,104,719	3,787,480	102,349	113,973
Home Transportation Co., Inc.	6,384,622	9,381,797	10,856,193	N.Apl.	228,902
Johnson Motor Lines, Inc.	34,840,383	35,076,790	38,443,966	(575,000)	1,686,010
Kenan Transport Company, Inc.**	711,197	889,358	907,126	24,199	5,221
Laney Tank Lines, Inc.	1,258,064	1,375,841	1,512,482	189,000	276,901
M & M Tank Lines, Inc.	1,240,219	3,273,921	3,738,637	(12,360)	67,848
Mangum Trucking Co., Inc.	967,670	947,414	1,162,504	(5,846)	38,834
McLean Trucking Co.	103,326,781	14,943,870	148,568,469	452,016	7,268,580
Maybelle Transport Co.	1,204,382	1,573,878	1,604,980	20,960	53,889
Mitchell Transport, Inc.	11,740,618	13,683,541	13,564,611	N.Apl.	320,874
Morgan Drive Away, Inc.	19,317,255	24,597,246	24,582,584	325,219	1,310,032
Moss Trucking Co., Inc.	2,957,828	3,299,956	3,776,692	12,965	135,048
Motor Convoy, The, Inc.	12,791,338	12,700,553	11,699,462	N.Apl.	N.Apl.
Murrow's Transfer, Inc.	1,462,044	1,636,062	1,748,300	23,000	13,316
National Trailer Convoy, Inc.	14,045,035	14,676,571	16,466,632	150,349	476,266
Northeastern Trucking Co.	4,519,427	5,378,047	6,210,116	27,003	49,674
North State Motor Lines, Inc.	977,100	938,293	937,395	18,803	(5,235)
O'Boyle Tank Lines, Inc.	7,548,757	9,051,931	9,593,325	35,258	148,256
Observer Transportation Co., The	1,314,622	1,385,547	1,474,434	22,000	43,103
Old Dominion Freight Line	5,831,409	6,388,423	10,040,484	N.Apl.	347,543
Oliver Trucking Co., Inc.	1,283,790	1,376,485	1,464,805	N.Apl.	53,944
Overnite Transportation Co.	36,752,060	42,103,815	45,380,049	1,137,526	5,667,300
Pilot Freight Carriers, Inc.	29,750,531	31,546,424	36,580,378	401,185	1,383,863
R-C Motor Lines, Inc.	18,427,013	19,880,586	19,987,088	193,115	234,346
Redwing Carriers, Inc.	5,822,050	5,385,389	6,364,559	N.Apl.	1,182,856
S & W Motor Lines, Inc.	3,843,434	4,038,931	3,913,513	61,522	116,727
Schwerman Trucking	35,782,637	42,069,544	40,230,858	21,620	1,972,564
Seacoast Transportation Co., The	2,726,886	3,189,974	3,205,028	NA	4,248
Shamrock Van Lines, Inc. ²	5,566,557	4,369,954	N.Apl.	7,821	(196,599)
Signal Delivery Service, Inc.	20,491,105	26,840,820	47,749,621	N.Apl.	N.Apl.
Standard Trucking Company	8,379,264	7,995,218	8,581,471	12,330	232,320
Superior Trucking Co., Inc.	8,727,332	10,893,945	11,303,681	NA	1,239,161
Tallant Transfer, Inc.	2,465,832	2,093,206	1,433,023	14,240	5,130
Textile Motor Freight, Inc.	2,030,705	2,199,798	2,397,350	(24,636)	73,253
Thurston Motor Lines, Inc.	23,516,303	27,609,927	28,545,702	477,000	923,837
Transit Homes, Inc.	6,340,464	6,853,867	7,462,443	9,266	431,416
United Parcel Service, Inc.	246,475,853	304,024,240	370,216,442	N.Apl.	12,067,360
Vance Trucking Co., Inc.	1,958,502	1,940,374	1,794,362	16,125	25,632
Washburn Storage Co.	1,586,191	1,876,693	1,992,112	(45,689)	299,005
Williamson Truck Lines	926,688	1,505,673	1,777,130	N.Apl.	56,200
Wilson Freight Co.	N.Apl.	48,261,065	51,623,619	N.Apl.	N.Apl.
Yeary Transfer Co., Inc.	1,085,602	1,044,417	941,978	(14,618)	23,842
Youngblood Truck Lines, Inc.	9,417,804	10,871,286	10,221,939	83,916	212,859
TOTALS	\$1,027,268,072	\$1,136,251,913	\$1,431,740,405	\$9,559,189	\$43,462,463
ADJUSTED TOTALS*		\$1,131,881,959	\$1,431,740,405		

* Adjusted total for 1970 excludes data for companies not having data for both years (1970, 1969)

E Estimated

NA Not Available

N.Apl. Not Applicable

** Transferred from Class II

¹ Began operations in 1969

² No data for 1970. Began operations on May 6, 1971 under the name of Dawson-Joyce Moving & Storage Company (Docket No. T-1550).

FIGURE NO. 35—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS I

Income, Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970
(North Carolina and Total System)

Net Operating Revenue—Total System			Operating Ratios—Total System				
1968	1969	1970	1960	1967	1968	1969	1970
\$ 1,635,867	\$ 1,236,722	\$ 1,698,898	96.9	99.5	95.4	96.3	95.3
6,997	(35,816)	13,639	99.5	100.0	99.9	100.3	99.9
360,714	475,225	485,156	92.5	91.5	84.1	82.4	82.7
152,575	79,875	181,273	92.7	90.1	93.6	97.2	94.3
373,524	55,912	255,824	86.1	94.2	93.4	99.0	95.9
60,305	67,879	74,831	98.3	98.5	96.5	96.7	96.9
294,371	122,342	120,967	77.6	97.2	89.8	95.8	95.8
(46,645)	66,707	21,158	97.6	101.5	102.5	97.4	99.3
2,758,263	2,872,518	3,907,381	97.7	97.5	93.9	94.7	93.5
40,845	27,732	21,737	97.0	95.9	94.6	96.6	97.6
(62,057)	631,052	149,691	94.2	105.8	100.3	97.0	99.3
271,764	229,606	222,174	N.Apl.	91.4	79.1	86.1	89.2
4,835,360	4,653,715	2,423,551	94.9	96.9	93.0	93.9	97.0
109,619	132,526	99,100	100.0	91.5	90.1	90.2	93.7
460,633	374,399	463,938	94.6	88.7	88.8	91.6	90.7
107,349	58,904	66,345	98.0	96.6	94.7	97.3	97.0
19,797	(10,098)	(40,436)	N.Apl.	100.2	98.1	100.9	104.3
122,972	83,515	133,638	96.4	99.3	96.5	97.9	97.1
214,258	260,190	769,434	N.Apl.	95.7	95.4	96.7	91.5
N.Apl.	(151,271)	(383,580)	N.Apl.	N.Apl.	N.Apl.	102.1	104.7
272,575	273,361	487,980	N.Apl.	N.Apl.	97.4	97.8	96.5
56,885	43,055	90,836	98.4	96.7	95.9	97.0	95.9
47,601	31,080	44,088	101.8	100.9	96.7	97.7	97.1
374,472	215,700	526,303	92.6	93.7	94.6	97.1	93.5
63,573	26,030	60,872	90.0	98.2	95.2	98.0	95.5
N.Apl.	507,618	627,293	N.Apl.	94.2	N.Apl.	92.2	90.1
162,316	234,562	145,760	90.2	88.5	92.5	90.9	95.3
90,812	19,760	257,699	91.9	94.3	96.1	99.3	91.0
157,341	163,612	234,841	N.Apl.	92.8	90.8	90.9	88.5
(783,123)	(717,552)	(1,121,349)	98.8	100.2	108.8	107.5	112.7
(150,174)	(241,191)	(208,637)	99.8	99.1	104.3	107.7	107.4
57,179	(636,763)	1,284,025	97.2	95.1	99.4	108.6	97.4
1,875,113	(983,848)	(4,625,534)	94.1	100.1	97.1	101.4	107.9
57,546	113,636	180,204	88.5	94.5	93.5	88.4	84.4
106,509	10,584	(36,126)	86.7	92.5	94.9	99.7	101.0
447,395	756,573	596,909	N.Apl.	95.6	93.5	92.5	94.9
1,224,449	1,290,660	1,857,909	105.6	94.6	96.6	96.5	95.4
89,551	127,161	114,586	80.7	97.2	88.8	87.5	88.8
267,779	324,231	256,593	80.0	79.8	82.5	80.9	85.5
101,727	288,971	140,290	141.3	93.9	92.4	91.9	96.4
84,284	69,447	21,584	100.6	96.3	92.0	93.1	98.2
10,534,367	(702,570)	8,081,775	98.6	92.4	90.8	104.9	94.8
38,887	31,969	62,132	97.0	94.7	96.9	98.0	96.3
749,524	1,086,408	(126,557)	N.Apl.	97.2	94.0	92.6	100.9
1,805,806	2,040,652	2,431,159	94.2	91.5	91.5	92.3	91.0
187,364	312,984	303,067	97.8	94.5	94.0	91.3	92.6
202,851	98,092	(106,418)	N.Apl.	N.Apl.	98.4	99.2	100.9
33,882	68,765	101,376	95.1	99.0	97.7	96.0	94.5
1,045,269	1,305,450	1,552,196	97.2	96.2	93.1	91.8	91.4
127,107	186,190	207,994	98.0	98.7	97.3	96.7	96.8
(7,754)	58,868	48,628	98.3	100.5	100.8	94.1	95.1
212,815	309,914	386,370	95.9	97.8	97.2	96.7	96.1
75,403	46,845	55,037	98.0	96.6	94.6	96.7	96.4
354,990	424,912	688,946	NA	93.6	94.3	93.8	93.6
133,755	160,614	83,400	N.Apl.	94.8	90.6	89.6	94.6
5,446,612	4,854,393	8,544,287	94.8	84.8	87.1	89.7	84.2
742,701	240,161	2,166,227	94.4	94.9	97.6	99.2	94.4
320,387	(156,117)	440,416	98.0	98.6	98.3	100.8	97.8
994,401	488,831	14,165	N.Apl.	82.5	85.4	91.7	99.8
254,783	204,287	244,638	96.6	96.7	93.8	95.2	94.1
2,310,765	1,389,247	1,708,927	78.6	94.3	93.9	96.8	95.9
4,480	66,227	(198,571)	N.Apl.	99.8	99.8	98.0	106.6
(542,748)	(235,145)	N.Apl.	99.5	102.7	110.8	105.7	N.Apl.
572,579	692,322	2,607,030	N.Apl.	N.Apl.	97.3	97.5	94.8
379,006	9,065	745,926	99.6	96.9	95.7	99.9	92.0
1,297,475	1,010,660	1,126,630	NA	86.6	87.1	91.5	90.9
52,091	(29,000)	(38,783)	99.4	99.8	97.9	101.4	102.7
103,324	54,192	130,950	101.9	96.5	95.2	97.6	94.8
1,492,936	540,397	2,267,071	92.7	95.4	94.0	98.1	92.6
462,353	538,636	569,446	99.0	93.0	93.2	92.7	92.9
16,186,514	16,820,489	22,945,259	N.Apl.	94.4	93.8	94.8	94.2
56,065	16,626	20,469	98.6	98.5	97.2	99.2	98.9
(23,388)	(470)	(38,466)	NA	80.7	101.5	100.0	101.9
52,210	103,073	57,193	N.Apl.	93.5	94.7	93.6	96.9
N.Apl.	2,185,620	2,521,925	N.Apl.	N.Apl.	N.Apl.	95.7	95.3
58,305	(48,466)	(39,775)	101.0	98.1	94.9	104.9	104.4
520,180	664,850	14,197	98.2	97.4	94.8	94.2	99.9
\$62,555,618	\$47,987,292	\$71,199,111	96.6	95.2	94.3	95.9	95.2
	\$48,222,437	\$71,199,111				95.9	95.2

FIGURE NO. 35—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS I

Income Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970
(North Carolina and Total System)

CLASS I MOTOR CARRIERS	Total System Other Income or (Deductions)—Net Including Income Taxes		
	1960	1967	1968
Akers Motor Lines, Inc.	\$ (407,109)	\$ (340,667)	\$ (1,583,166)
Associated Petroleum Carriers, Inc.	(28,493)	7,668	(7,307)
Barnes Truck Line, Inc.	(48,910)	(94,128)	(130,816)
Billings Transfer Corp., Inc.	(30,156)	(92,249)	(76,174)
Boone Company, The A. G.	(244,306)	(140,873)	(164,136)
Burton Lines, Inc.	(1,709)	(25,715)	(27,288)
Byrd Motor Line, Inc.	(27,487)	(1,284)	(94,560)
Carolina Delivery Service Co.	(20,571)	(7,376)	(7,736)
Carolina Freight Carriers Corp.	(256,847)	(553,613)	(1,481,741)
Carroll's Transfer, Inc.**	(1,310)	(12,656)	(12,749)
Central Motor Lines, Inc.	(341,224)	377,064	1,841
Central Transport Inc.	N.Apl.	(13,692)	(89,009)
Chemical Leaman Tank Lines, Inc.	(914,040)	(1,114,560)	(2,419,036)
Claremont Motor Lines, Inc.	—	(22,423)	(20,164)
Colonial Motor Freight Line, Inc.	(52,105)	(179,478)	(221,208)
DeWitt, L. G. Inc.	(19,944)	(29,083)	(43,740)
Eastern Motor Lines, Inc.	N.Apl.	(14,911)	(15,043)
Epes Transport System, Inc.	(50,839)	(6,753)	(51,983)
Estes Express Lines, Inc.	(30,463)	(121,036)	(117,999)
Fernstrom Storage and Van Company ¹	N.Apl.	N.Apl.	N.Apl.
Fleet Transport Co., Inc.	N.Apl.	N.Apl.	(166,559)
Forbes Transfer Co., Inc.	(4,755)	(2,242)	(20,598)
Fowler, R. D., Motor Lines, Inc.	(13,238)	(34,851)	(41,888)
Fredrickson Motor Express Corp.	(107,484)	(221,661)	(228,303)
Garland, R. H., & Co., Inc.	(27,741)	(4,397)	(6,714)
Glosson Motor Lines, Inc.	N.Apl.	(257,966)	N.Apl.
Goldston Transfer, Inc.**	(25,722)	(43,387)	(61,846)
Greyhound Storage, Inc.	(48,152)	(52,000)	(36,000)
Guignard Freight Lines, Inc.	N.Apl.	(41,787)	(48,749)
Harper Motor Lines	(34,148)	33,158	155,308
Helms Motor Express, Inc.	(17,345)	(20,699)	(16,540)
Hemingway Transport, Inc.	(66,645)	(222,460)	(110,074)
Hennis Freight Lines, Inc.	(742,174)	(524,642)	(1,364,618)
Henry, C. S., Transfer, Inc.**	(34,296)	(27,855)	(21,569)
Holly Farms Poultry Indus., Inc.	(68,444)	(17,337)	(10)
Home Transportation Co., Inc.	N.Apl.	(124,861)	(282,012)
Johnson Motor Lines, Inc.	17,901	(634,924)	(832,341)
Kenan Transport Company, Inc.**	(5,507)	(222)	(22,372)
Laney Tank Lines, Inc.	(88,256)	(92,430)	(98,291)
M & M Tank Lines, Inc.	(2,266)	(54,830)	(56,176)
Mangum Trucking Co., Inc.	(10,620)	(28,291)	(34,215)
McLean Trucking Co.	(636,259)	(3,256,214)	(5,370,891)
Maybelle Transport Co.	39,957	(14,207)	(9,587)
Mitchell Transport, Inc.	N.Apl.	(110,990)	(255,003)
Morgan Drive Away, Inc.	(255,392)	(599,776)	(720,893)
Moss Trucking Co., Inc.	(3,634)	(72,263)	(112,604)
Motor Convoy, The, Inc.	N.Apl.	N.Apl.	(144,662)
Murrow's Transfer, Inc.	(11,086)	(24,778)	(27,855)
National Trailer Convoy, Inc.	(59,497)	(162,609)	(556,068)
Northeastern Trucking Co.	(11,024)	(23,638)	(11,239)
North State Motor Lines, Inc.	(17,331)	(16,207)	(14,041)
O'Boyle Tank Lines, Inc.	(18,573)	(142,305)	(120,754)
Observer Transportation Co., The	(8,722)	(14,176)	(38,705)
Old Dominion Freight Line	NA	(155,056)	(182,881)
Oliver Trucking Co., Inc.	N.Apl.	6,072	(52,626)
Overnite Transportation Co.	(915,871)	(2,700,330)	(3,314,693)
Pilot Freight Carriers, Inc.	(274,818)	(631,638)	(282,681)
R-C Motor Lines, Inc.	(123,118)	(232,797)	(157,949)
Redwing Carriers, Inc.	N.Apl.	632,041	(442,721)
S & W Motor Lines, Inc.	(199,479)	(142,793)	(87,446)
Schwerman Trucking	(7,691)	(982,376)	(1,422,637)
Seacoast Transportation Co., The	NA	35,891	34,175
Shamrock Van Lines, Inc. ²	(7,726)	(143,832)	(609,930)
Signal Delivery Service, Inc.	N.Apl.	N.Apl.	(324,540)
Standard Trucking Company	(14,914)	(119,545)	(194,539)
Superior Trucking Co., Inc.	NA	(551,432)	(658,464)
Tallant Transfer, Inc.	(11,954)	(40,688)	(41,060)
Textile Motor Freight, Inc.	(7,892)	(35,363)	(89,590)
Thurston Motor Lines, Inc.	(310,493)	(440,230)	(624,688)
Transit Homes, Inc.	(1,497)	(274,694)	(254,084)
United Parcel Service, Inc.	N.Apl.	(3,363,894)	(5,973,906)
Vance Trucking Co., Inc.	(3,550)	(15,125)	(15,008)
Washburn Storage Co.	61,409	(268,470)	37,622
Williamson Truck Lines	N.Apl.	(2,973)	(33,440)
Wilson Freight Co.	N.Apl.	N.Apl.	N.Apl.
Yeary Transfer Co., Inc.	(18,519)	(4,902)	(19,272)
Youngblood Truck Lines, Inc.	(86,327)	(135,043)	(230,820)
TOTALS	\$ (6,658,406)	\$ (18,763,789)	\$ (32,179,061)
ADJUSTED TOTALS*			

* Adjusted total for 1970 excludes data for companies not having data for both years (1970, 1969)

E Estimated

NA Not Available

N.Apl. Not Applicable

** Transferred from Class II

¹ Began operations in 1969

² No data for 1970. Began operations on May 6, 1971 under the name of Dawson-Joyce Moving & Storage Company (Docket No. T-1550).

FIGURE NO. 35—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS I

Income Expense, Operating Ratio and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970
(North Carolina and Total System)

Other Income or (Deductions) Net Including Income Taxes		Total System Net Income After Taxes				
1969	1970	1960	1967	1968	1969	1970
\$ (175,343)	\$ (904,400)	\$ 163,373	\$ (195,248)	\$ 52,701	\$1,061,379	\$ 794,498
33,604	(15,743)	4,507	9,156	(310)	(2,212)	(2,104)
(207,455)	(213,027)	35,061	40,771	229,898	267,770	272,129
(32,473)	(87,540)	46,844	92,548	76,401	47,402	93,733
35,365	(106,697)	230,894	160,972	209,388	91,277	149,127
(29,334)	(36,050)	4,997	498	33,017	38,545	38,781
(82,553)	(100,310)	109,457	62,711	199,811	39,789	20,657
(3,916)	(3,622)	34,542	(30,870)	(54,381)	62,791	17,536
(1,416,294)	(2,484,744)	103,153	405,635	1,276,522	1,456,224	1,422,637
(15,170)	(21,729)	8,657	14,834	28,096	12,562	8
(336,882)	(210,765)	392,776	(715,637)	(60,216)	294,170	(61,074)
(108,451)	(102,140)	N.Apl.	58,565	182,755	121,155	120,034
(2,569,668)	(2,137,638)	747,024	702,622	2,416,324	2,084,047	285,913
(18,858)	(31,166)	—0—	54,540	89,455	113,668	67,934
(179,252)	(183,271)	36,767	244,017	239,425	195,147	280,667
(31,834)	(40,781)	1,479	33,775	63,609	27,070	25,564
(13,788)	(19,640)	N.Apl.	(16,301)	4,754	(23,886)	(60,076)
(31,301)	(59,162)	58,161	17,210	70,989	52,214	74,476
(200,640)	(440,991)	24,427	(13,298)	96,259	59,550	328,443
92,252	35,807	N.Apl.	N.Apl.	N.Apl.	(59,019)	(347,773)
(248,954)	(389,010)	N.Apl.	N.Apl.	106,016	24,407	98,970
(13,876)	(35,126)	7,568	42,953	36,287	29,179	55,710
(39,767)	(30,762)	(27,530)	(46,414)	5,713	(8,687)	13,326
(137,051)	(289,329)	101,516	152,914	146,169	78,649	236,974
(9,662)	(27,042)	67,259	17,541	56,859	16,368	33,830
(309,560)	(344,437)	N.Apl.	82,732	N.Apl.	198,058	282,856
(87,083)	(181,364)	32,278	164,843	100,470	147,479	(35,604)
3,000	(129,257)	53,878	58,928	54,812	22,760	128,442
(50,549)	(124,824)	NA	55,509	108,592	113,063	110,017
(114,754)	(186,168)	12,852	18,551	(627,815)	(832,306)	(1,307,517)
(30,635)	(42,465)	(14,660)	6,807	(166,714)	(271,826)	(251,102)
(100,288)	(753,961)	49,527	172,365	(52,895)	(737,051)	530,064
(648,228)	(2,574,991)	484,826	(604,412)	510,495	(1,632,076)	(7,200,525)
(55,103)	(52,275)	31,705	18,793	35,977	127,929	127,929
—0—	—0—	33,905	96,636	106,499	10,584	(36,126)
(444,869)	(340,111)	N.Apl.	104,041	165,383	311,704	256,798
(673,609)	(952,482)	(557,099)	1,051,086	392,108	617,051	905,427
(83,549)	(71,673)	18,692	4,999	67,179	43,612	42,913
(123,711)	(112,147)	100,744	184,471	169,488	200,520	144,446
(186,794)	(367,384)	(14,626)	13,018	45,551	102,177	(227,094)
(9,504)	(42,425)	(16,466)	10,543	50,069	59,943	(20,841)
342,479	(4,919,307)	(184,243)	4,012,366	5,163,476	(360,091)	3,162,468
(8,717)	(10,234)	60,917	39,682	29,300	23,252	51,898
(562,361)	(140,169)	N.Apl.	209,884	494,521	524,047	(266,726)
(581,635)	(1,083,924)	69,827	710,256	1,084,913	1,459,017	1,347,235
(122,592)	(145,666)	9,331	62,785	74,760	190,392	157,401
(60,381)	(16,940)	N.Apl.	N.Apl.	58,189	37,711	(123,358)
(24,992)	(34,517)	11,914	(11,462)	6,027	43,773	66,859
(667,077)	(776,460)	90,852	313,657	489,201	638,373	775,736
(34,930)	(88,323)	15,979	26,036	115,868	151,260	119,671
(19,748)	(17,485)	1,472	(21,442)	(21,795)	39,120	31,143
(229,180)	(233,530)	16,685	5,951	92,061	80,734	152,840
8,250	(29,164)	13,278	28,927	36,698	55,095	25,873
(272,195)	(358,227)	N.Apl.	192,487	172,109	152,717	330,719
(31,412)	(46,714)	N.Apl.	60,016	81,129	129,202	36,686
(2,575,920)	(4,484,895)	221,655	2,966,970	2,131,919	2,278,473	4,059,392
(342,411)	(1,237,468)	126,367	752,225	460,020	(102,250)	928,759
(299,698)	(484,026)	69,997	1,549	162,438	(455,815)	(43,610)
(76,804)	37,146	N.Apl.	1,814,897	551,680	412,027	51,311
(137,904)	(106,932)	(137,957)	(26,066)	167,337	66,383	137,706
(1,514,055)	(2,003,681)	13,929	990,188	888,128	(124,808)	(294,754)
116,445	183,185	NA	40,139	38,655	182,672	(15,386)
(290,241)	N.Apl.	95	(340,431)	(1,152,678)	(525,386)	N.Apl.
(267,692)	18,117	N.Apl.	N.Apl.	248,039	424,630	2,625,147
4,627	(352,605)	(2,584)	112,775	184,467	13,692	393,321
(526,795)	(598,635)	NA	687,729	639,011	483,865	527,995
(27,146)	(35,907)	2,286	(35,558)	11,031	(56,146)	(74,690)
(34,109)	(92,970)	(32,528)	37,890	13,734	20,083	37,980
(467,083)	(1,157,036)	166,507	483,607	868,248	73,314	1,110,035
(153,281)	(407,756)	7,769	156,722	208,269	385,355	161,690
(8,171,653)	(10,556,453)	N.Apl.	8,703,466	10,212,608	8,648,836	12,388,806
(35,937)	(9,071)	12,575	10,507	41,057	(19,311)	11,398
12,082	51,301	15,720	30,535	14,234	11,612	12,835
(3,945)	(46,183)	N.Apl.	53,227	18,770	99,128	11,010
(988,641)	(1,477,555)	N.Apl.	N.Apl.	N.Apl.	1,196,979	1,044,370
(25,158)	(3,965)	(33,137)	18,940	39,033	(73,624)	(43,740)
(321,219)	(188,768)	(2,411)	77,816	289,360	343,631	(174,571)
\$ (27,047,566)	\$ (45,065,659)	\$2,900,783	\$24,698,674	\$30,376,577	\$20,939,726	\$26,133,452
\$ (26,757,325)	\$ (45,065,659)				\$21,465,112	\$26,133,452

FIGURE NO. 36

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970

CLASS II MOTOR CARRIERS	Operating Revenues in North Carolina				
	1960	1967	1968	1969	1970
Anderson Truck Line, Inc.	\$ 65,833	\$ 139,609	\$ 152,574	\$ 152,383	\$ 162,571
B & P Motor Lines, Inc.	N.Apl.	94,917	118,728	83,279	444,644
Barnett Truck Line, Inc.	N.Apl.	253,588	311,444	337,124	500,979
Baucom's Transfer & Storage Co., Inc.**	107,026	298,128	320,634	329,691	332,766
Billings Trucking Corporation	38,956	44,582	40,783	56,155	68,726
Blue Ridge Trucking Company	N.Apl.	632,285	692,127	693,702	753,350
Bulk Haulers, Inc.	N.Apl.	612,250	740,069	1,004,214	1,021,271
Cargocare Transportation Co., Inc.	170,684	327,805	405,890	512,415	593,807
Carolina Asphalt & Petroleum Co.	237,000	497,727	492,300	597,909	859,075
Carolina Carriers, Inc.	236,400	199,670	140,811	125,866	106,473
Carolina Transfer & Storage Co.	125,751	539,638	555,303	505,616	594,630
Charlotte Van & Storage Co., Inc.	176,832	805,375	777,215	557,505	147,080
Clay's Transfer Co., Inc.	117,753	68,988	76,388	90,982	76,032
Cromartie Transport Company	274,000	279,801	279,158	323,991	277,466
Culberson Motor Lines, Inc.*	N.Apl.	N.Apl.	49,161	105,480	78,513
D & D Trucking Company	N.Apl.	450,160	290,288	526,998	527,141 ^E
Durham Transfer & Storage, Inc.	88,026	72,472	72,391	81,897	153,105
East Coast Transport Co., Inc.	111,855	297,380	333,082	380,626	397,963
Everette, W. Truck Line	N.Apl.	80,210	69,105	122,928	66,278
Fidelity Van and Storage, Inc.	N.Apl.	97,126	116,199	122,184	165,222
Fleming, J. Clint**	NA	255,639	261,887	300,402	15,076
General Motor Lines, Inc.	N.Apl.	423,412	513,883	541,456	593,772
H. & W. Trucking Company**	N.Apl.	N.Apl.	1,577	9,772	47,358
Haywood-Atkins Trucking, Inc.	N.Apl.	63,438	NA	58,394	68,654
Holland Transfer Company	N.Apl.	322,271	339,794	378,358	404,235
Honeycutt, J. B., Co., Inc.	N.Apl.	316,380	360,622	359,342	540,087
Howells Motor Freight	N.Apl.	N.Apl.	N.Apl.	286,000	218,400
Johnson, Bruce, Trucking Co., Inc.	154,532	192,554	282,944	415,937	492,746
Martin Motor Lines	N.Apl.	N.Apl.	N.Apl.	318,931	400,414
Martin Transfer & Storage Co., Inc.	N.Apl.	249,926	152,565	208,911	203,120
May Transfer & Storage Co., Inc.	N.Apl.	165,168	NA	174,387	183,616 ^E
Mercer Marine Transit Corporation	N.Apl.	NA	NA	37,553	N.Apl.
Mid-State Delivery Service, Inc.	203,768	302,494	361,068	407,583	451,088
Nationwide Horse Carriers, Inc.*	N.Apl.	24,727	34,226	39,248	52,535
Petroleum Transportation, Inc.	424,000	442,787	451,256	512,976	500,741
Pitt County Transportation Co.	193,361	862,570	864,349	853,553	925,931
Public Transport Corp.	N.Apl.	304,881	358,940	434,695	405,594
Quality Oil Transport	58,227	449,226	449,987	524,678	592,536
Rabon Transfer	N.Apl.	179,629	218,495	195,962	179,668
Shamrock Transport Company	253,068	227,034	242,432	285,977	306,613
Southern Oil Transportation Co., Inc.	585,000	564,494	527,479	538,488	529,068
Stegall Milling Company	N.Apl.	116,941	635,103	647,434	613,952
Stegall, T. G., Co.	38,369	263,947	142,974	202,153	211,231
Sugar Transport, Inc.	58,000	81,770	92,363	101,935	113,554
Superior Motor Express	N.Apl.	N.Apl.	N.Apl.	433,129	400,509
Swann Trucking Company	N.Apl.	126,087	139,329	145,266	122,839
Tarheel Transport, Inc.	401,706	309,906	351,827	347,617	333,841
Tatum Dalton Transfer Co.	N.Apl.	170,505	227,939	282,711	335,383
Terminal City Transport, Inc.	138,490	315,940	370,942	304,395	306,178
Tidewater Transit Company, Inc.**	89,460	284,976	304,014	380,739	443,628
Underwood & Weld Company, Inc.**	N.Apl.	64,879	130,589	86,220	102,005
Webb Transfer Line, Inc.	N.Apl.	43,534	593,142	121,412	159,612 ^E
Whittenton's Transfer	N.Apl.	63,251	71,963	57,334	42,686
Widenhouse, A. C., Inc.	510,000	775,122	781,670	932,522	1,123,446
Wilson Transfer, Inc.	192,000	258,864	257,808	251,663	239,023
TOTALS	\$5,050,097	\$14,014,063	\$15,554,817	\$17,488,078	\$18,986,231

E Estimated
 NA Not Available
 N.Apl. Not Applicable
 * Name change. Was changed from Van Grop Van Service, Inc. 12-1-70.
 ** Transferred from Class III

FIGURE NO. 36—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970

Total Operating Revenues					Total Operating Expenses	
1960	1967	1968	1969	1970	1960	1967
\$ 214,090	\$ 483,138	\$ 522,970	\$ 553,241	\$ 583,249	\$ 205,284	\$ 452,292
194,253	579,115	686,287	474,795	444,644	201,671	566,027
N.Apl.	264,004	326,930	360,599	500,979	N.Apl.	243,218
107,026	298,128	320,634	329,691	332,766	107,299	297,846
445,455	654,910	784,547	850,987	919,999	416,763	584,696
392,632	632,285	692,127	693,702	753,350	366,448	613,505
N.Apl.	612,250	740,069	1,004,214	1,086,459	N.Apl.	574,902
445,453	564,695	699,811	883,474	1,023,806	437,622	542,989
237,000	497,727	492,300	597,909	859,075	233,000	490,746
236,400	199,670	140,811	125,866	106,473	210,500	191,628
426,196	734,909	781,071	698,967	767,032	409,370	702,952
176,832	805,375	777,215	915,297	929,074	182,383	751,369
267,268	221,898	253,816	323,162	258,612	277,075	215,180
315,000	279,801	279,158	323,991	277,466	281,000	270,575
N.Apl.	N.Apl.	339,042	372,575	355,263	N.Apl.	N.Apl.
N.Apl.	642,900	1,173,628	1,053,996	1,054,282	N.Apl.	613,787
251,028	296,506	262,640	299,925	303,780	303,129	434,900
111,855	297,380	333,082	380,626	397,963	101,230	255,356
N.Apl.	251,755	315,218	383,500	459,494	N.Apl.	238,900
189,532	392,673	116,199	122,184	165,222	190,708	381,656
NA	520,298	557,284	551,297	723,785	NA	505,989
N.Apl.	423,412	513,883	541,456	593,772	N.Apl.	391,282
N.Apl.	N.Apl.	289,737	390,875	473,576	N.Apl.	N.Apl.
N.Apl.	229,092	187,171	58,394	68,654	N.Apl.	229,347
N.Apl.	322,271	339,794	378,358	404,235	N.Apl.	300,870
N.Apl.	317,757	361,266	359,341	540,087	N.Apl.	313,953
N.Apl.	N.Apl.	N.Apl.	966,834	951,462	N.Apl.	N.Apl.
467,007	761,082	1,012,324	1,121,426	1,395,882	424,751	706,152
N.Apl.	N.Apl.	N.Apl.	431,830	488,940	N.Apl.	N.Apl.
390,856	447,793	492,648	515,651	519,519	370,226	412,434
N.Apl.	507,012	717,003	792,671	834,618	N.Apl.	443,785
N.Apl.	348,811	410,984	670,591	525,907	N.Apl.	326,240
203,768	302,494	361,068	407,584	451,088	204,709	301,109
488,359	834,702	901,281	971,496	1,110,676	499,614	753,300
601,000	793,525	845,048	917,668	944,794	572,000	793,859
510,861	862,570	864,349	853,553	925,931	497,146	836,031
N.Apl.	304,881	358,940	434,695	405,594	N.Apl.	295,548
421,405	512,539	490,952	545,418	604,082	199,144	332,913
N.Apl.	449,073	455,198	489,904	427,780	N.Apl.	406,308
253,068	227,034	242,432	285,977	306,613	213,863	166,525
585,000	564,494	527,479	538,488	529,068	522,000	572,055
505,608	714,975	635,103	647,434	613,952	473,044	683,528
251,746	811,735	966,043	1,243,728	1,408,200	246,725	755,303
298,000	827,031	905,360	994,826	1,162,958	270,000	725,867
N.Apl.	N.Apl.	N.Apl.	433,129	400,509	NA	N.Apl.
N.Apl.	252,553	272,949	294,607	300,862	N.Apl.	258,961
421,706	309,906	351,827	347,617	333,841	412,584	292,432
255,680	414,258	506,718	612,503	726,712	242,976	383,586
138,490	315,940	370,942	304,395	306,178	115,529	251,032
89,460	318,197	366,336	459,366	509,006	71,021	284,308
N.Apl.	710,452	796,402	790,712	754,423	N.Apl.	723,581
891,713	701,673	790,863	1,097,578	1,209,185	925,954	687,053
185,239	488,436	453,198	365,886	304,865	182,958	443,414
518,000	777,013	781,670	932,522	1,123,446	464,000	702,637
326,000	416,132	364,897	376,591	355,265	317,000	402,932
\$11,812,986	\$24,496,260	\$27,528,704	\$31,873,102	\$34,314,453	\$11,148,726	\$23,104,858

FIGURE NO. 36—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970

CLASS II MOTOR CARRIERS	Total Operating Expenses			Operating Ratios — Total System	
	1968	1969	1970	1960	1967
Anderson Truck Line, Inc.	\$ 462,125	\$ 490,507	\$ 520,558	95.8	93.7
B & P Motor Lines, Inc.	664,479	480,715	470,535	103.8	97.7
Barnett Truck Line, Inc.	297,072	328,382	458,275	N.Apl.	92.1
Baucom's Transfer & Storage Co., Inc.**	319,697	321,153	334,871	100.3	99.9
Billings Trucking Corporation	654,080	757,843	826,876	93.6	89.3
Blue Ridge Trucking Company	677,326	685,069	746,296	93.3	97.0
Bulk Haulers, Inc.	691,910	929,220	978,916	N.Apl.	93.7
Cargocare Transportation Co., Inc.	670,358	843,265	976,703	98.2	96.2
Carolina Asphalt & Petroleum Co.	490,640	21,259	37,182	98.0	98.6
Carolina Carriers, Inc.	143,503	130,222	115,481	89.0	96.0
Carolina Transfer & Storage Co.	772,117	679,540	728,464	96.0	95.7
Charlotte Van & Storage Co., Inc.	762,451	874,487	893,365	103.4	93.3
Clay's Transfer Co., Inc.	237,968	311,802	252,192	103.0	96.1
Cromartie Transport Company	282,557	331,292	290,019	89.0	96.7
Culberson Motor Lines, Inc.**	317,822	365,179	347,486	N.Apl.	N.Apl.
D & D Trucking Company	1,108,313	1,031,475	1,016,632	N.Apl.	95.5
Durham Transfer & Storage, Inc.	474,825	473,939	461,898	108.3	146.7
East Coast Transport Co., Inc.	281,580	330,143	395,936	90.5	85.9
Everette, W. Truck Line	300,847	366,732	438,483	N.Apl.	94.9
Fidelity Van and Storage, Inc.	115,148	121,684	165,433	100.6	97.2
Fleming, J. Clint**	547,478	529,618	683,415	NA	97.2
General Motor Lines, Inc.	473,642	499,034	551,554	N.Apl.	92.4
H. & W. Trucking Company**	290,447	372,262	473,421	N.Apl.	N.Apl.
Haywood-Atkins Trucking, Inc.	190,267	63,658	79,661	N.Apl.	101.1
Holland Transfer Company	320,815	358,936	393,540	N.Apl.	93.4
Honeycutt, J. B., Co., Inc.	359,127	338,590	463,533	N.Apl.	98.8
Howells Motor Freight	N.Apl.	965,265	910,743	N.Apl.	N.Apl.
Johnson, Bruce, Trucking Co., Inc.	969,542	1,048,510	1,245,588	91.0	92.8
Martin Motor Lines	N.Apl.	390,640	469,273	N.Apl.	N.Apl.
Martin Transfer & Storage Co., Inc.	470,387	547,853	559,414	94.7	92.1
May Transfer & Storage Co., Inc.	683,766	826,558	791,999	N.Apl.	87.5
Mercer Marine Transit Corporation	397,206	639,909	513,812	N.Apl.	93.5
Mid-State Delivery Service, Inc.	349,824	402,048	459,117	100.5	99.5
Nationwide Horse Carriers, Inc.	825,722	875,304	1,042,904	102.3	90.2
Petroleum Transportation, Inc.	793,662	883,557	931,186	95.1	100.1
Pitt County Transportation Co.	839,115	828,786	878,425	97.3	97.9
Public Transport Corp.	331,763	359,082	393,166	N.Apl.	96.9
Quality Oil Transport	324,881	300,305	382,873	47.3	65.0
Rabon Transfer	407,235	452,365	396,616	N.Apl.	90.5
Shamrock Transport Company	172,194	205,293	228,077	84.5	73.3
Southern Oil Transportation Co., Inc.	533,571	517,702	549,288	89.2	101.3
Stegall Milling Company	644,785	617,760	606,138	94.7	93.0
Stegall, T. G., Co.	925,406	1,124,248	1,226,521	98.0	95.6
Sugar Transport, Inc.	810,628	889,067	1,025,538	90.5	87.8
Superior Motor Express	N.Apl.	436,443	418,560	N.Apl.	N.Apl.
Swann Trucking Company	290,338	313,506	315,297	N.Apl.	102.5
Tarheel Transport, Inc.	310,020	339,320	340,548	97.8	94.4
Tatum Dalton Transfer Co.	498,761	633,769	737,861	95.0	92.5
Terminal City Transport, Inc.	275,550	207,546	217,898	83.4	79.5
Tidewater Transit Company, Inc.**	325,699	414,935	422,250	79.3	89.2
Underwood & Weld Company, Inc.**	724,868	766,908	685,575	N.Apl.	101.9
Webb Transfer Line, Inc.	748,140	1,115,828	1,255,433	103.8	97.9
Whittenton's Transfer	412,448	332,560	284,669	98.8	90.8
Widenhouse, A. C., Inc.	671,084	875,170	1,020,483	89.6	91.3
Wilson Transfer, Inc.	356,066	360,390	362,955	97.0	96.8
TOTALS	\$25,999,255	\$29,706,633	\$31,772,932	94.3	94.3

- E Estimated
- NA Not Available
- N Apl. Not Applicable
- * Name change. Was changed from Van Grop Van Service, Inc. 12-1-70
- ** Transferred from Class III

FIGURE NO. 36—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970

Operating Ratios—Total System			Net Operating Revenues Total System				
1968	1969	1970	1960	1967	1968	1969	1970
88.4	88.7	89.3	\$ 8,806	\$ 30,846	\$ 60,845	\$ 62,734	\$ 62,691
96.8	101.2	105.8	(7,418)	13,088	21,808	(5,920)	(25,891)
90.9	91.1	91.5	N.Apl.	20,786	29,858	32,217	42,704
99.7	97.4	100.6	(273)	282	937	8,538	(2,105)
83.4	89.1	89.9	28,692	70,214	130,467	93,144	93,123
97.9	98.8	93.6	26,184	18,780	14,801	8,633	7,054
93.5	92.5	90.1	N.Apl.	37,348	48,159	74,994	107,543
95.8	95.4	95.4	7,831	21,706	29,453	40,209	47,103
99.7	35.6	43.3	4,000	6,981	1,660	576,650	821,893
101.9	103.5	108.4	25,900	8,042	(2,692)	(4,356)	(9,008)
98.9	97.2	95.0	16,826	31,957	8,954	19,427	38,568
98.1	95.5	96.2	(5,551)	54,006	14,764	40,810	35,709
93.8	96.5	97.5	(9,807)	6,718	15,848	11,360	6,420
101.2	101.2	104.5	34,000	9,226	(3,399)	(7,301)	(12,553)
93.7	98.0	97.8	N.Apl.	N.Apl.	21,220	7,396	7,777
94.4	97.9	96.4	N.Apl.	29,113	65,315	22,521	37,650
180.8	58.0	152.1	(52,101)	(138,394)	(212,185)	(174,014)	(158,118)
84.5	86.7	99.5	10,625	42,024	51,502	50,483	2,027
95.4	95.6	95.4	N.Apl.	12,855	14,371	16,768	21,011
99.1	99.6	100.1	(1,176)	11,017	1,051	500	(211)
98.2	96.1	94.4	NA	14,309	9,806	21,679	40,370
92.2	92.2	92.9	N.Apl.	32,130	40,241	42,422	42,218
100.2	95.2	100.0	N.Apl.	N.Apl.	(710)	18,613	155
101.7	109.0	116.0	N.Apl.	(255)	(3,096)	(5,264)	(11,007)
94.4	94.9	97.4	N.Apl.	21,401	18,979	19,422	10,695
99.4	94.2	85.8	N.Apl.	3,804	2,139	20,751	76,554
N.Apl.	99.8	95.7	N.Apl.	N.Apl.	N.Apl.	1,569	40,719
95.8	93.5	89.2	42,256	54,930	42,782	72,916	150,294
N.Apl.	90.5	95.9	N.Apl.	N.Apl.	N.Apl.	41,190	19,667
95.5	106.2	107.7	20,630	35,359	22,261	(32,202)	(39,895)
95.4	104.3	94.8	N.Apl.	63,227	33,237	(33,887)	42,619
96.7	95.4	97.7	N.Apl.	22,571	13,778	30,682	12,095
96.9	98.6	101.8	(941)	1,385	11,244	5,536	(8,029)
91.6	90.1	93.8	(11,255)	81,402	75,559	96,192	67,772
93.9	96.3	98.5	29,000	(334)	51,386	34,111	13,608
97.1	97.1	94.9	13,715	26,539	25,234	24,767	47,506
92.4	82.6	96.9	N.Apl.	9,333	27,177	75,613	12,428
66.2	55.1	63.4	222,261	179,626	166,071	245,113	221,209
89.5	92.3	92.7	N.Apl.	42,765	47,963	37,539	31,164
71.0	71.8	74.4	39,205	60,509	70,238	80,684	78,536
101.2	96.1	103.8	63,000	(7,561)	(6,092)	20,786	(20,220)
101.5	95.4	98.7	32,564	31,447	(9,682)	29,674	7,814
95.8	90.4	87.1	5,021	56,432	40,637	119,480	181,679
89.5	89.4	88.2	28,000	101,164	94,732	105,759	137,420
N.Apl.	100.8	104.5	NA	N.Apl.	N.Apl.	(3,314)	(18,051)
106.4	106.4	104.8	N.Apl.	(6,408)	(17,389)	(18,899)	(14,435)
88.1	97.6	102.0	9,122	17,474	41,807	8,297	(6,707)
98.4	103.5	101.5	12,704	30,672	7,957	(21,266)	(11,149)
74.3	68.2	71.2	22,961	64,908	95,392	96,849	88,280
87.5	90.4	83.1	18,439	33,889	40,637	44,431	86,756
91.0	97.0	90.9	N.Apl.	(13,129)	71,534	23,804	68,848
94.6	101.7	104.0	(34,241)	14,620	42,723	(18,250)	(46,248)
91.0	90.8	93.3	2,281	45,022	40,750	33,326	20,196
85.9	93.8	90.8	54,000	74,376	110,586	57,352	102,963
97.6	95.7	102.2	9,000	13,200	8,831	16,201	(7,690)
94.4	93.2	92.6	\$664,260	\$1,391,402	\$1,529,449	\$2,166,469	\$2,541,521

FIGURE NO. 36—CONTINUED

MOTOR FREIGHT CARRIERS—CLASS II

Income, Expense, Operating Ratio, and Net Income Data for the Years Ended December 31, 1960, 1967 through 1970

CLASS II MOTOR CARRIERS	Other Income or (Deductions)—Net Including Income Taxes		
	1960	1967	1968
Anderson Truck Line, Inc.	\$ (3,941)	\$(18,261)	\$ (16,633)
B & P Motor Lines, Inc.	2,695	(2,235)	1,640
Barnett Truck Line, Inc.	N.Apl.	(5,026)	(11,701)
Baucom's Transfer & Storage Co., Inc.* ..	-0-	(81)	(313)
Billings Trucking Corporation	(8,661)	(22,162)	(52,329)
Blue Ridge Trucking Company	1,078	1,381	(6,012)
Bulk Haulers, Inc.	N.Apl.	1,216	(15,255)
Cargocare Transportation Co., Inc.	(1,262)	(4,403)	(10,249)
Carolina Asphalt & Petroleum Co.	(1,000)	(1,360)	124
Carolina Carriers, Inc.	(8,300)	(71,937)	(20,391)
Carolina Transfer & Storage Co.	17,287	2,101	33,621
Charlotte Van & Storage Co., Inc.	-0-	(21,080)	(9,008)
Clay's Transfer Co., Inc.	(2,400)	(2,092)	(2,901)
Cromartie Transport Comapny	(8,079)	10,151	(1,364)
Culberson Motor Lines, Inc.* ..	N.Apl.	N.Apl.	(13,869)
D & D Trucking Company	N.Apl.	(9,609)	(19,791)
Durham Transfer & Storage, Inc.	55,567	161,315	184,705
East Coast Transport Co., Inc.	(941)	(10,712)	(13,559)
Everett, W. Truck Line	N.Apl.	(7,653)	(2,449)
Fidelity Van and Storage, Inc.	-0-	(4,243)	(1,146)
Fleming, J. Clint**	NA	(1,050)	(838)
General Motor Lines, Inc.	N.Apl.	(16,518)	(19,899)
H. & W. Trucking Company**	N.Apl.	N.Apl.	-0-
Haywood-Atkins Trucking, Inc.	N.Apl.	-0-	(272)
Holland Transfer Company	N.Apl.	(1,224)	(1,139)
Honeycutt, J. B., Co., Inc.	N.Apl.	(6,482)	(5,997)
Howells Motor Freight	N.Apl.	N.Apl.	N.Apl.
Johnson, Bruce, Trucking Co., Inc.	4,452	(21,399)	(25,431)
Martin Motor Lines	N.Apl.	N.Apl.	N.Apl.
Martin Transfer & Storage Co., Inc.	756	(20,361)	(5,518)
May Transfer & Storage Co., Inc.	N.Apl.	(1,407)	(19,507)
Mercer Marine Transit Corporation	N.Apl.	(9,235)	(6,117)
Mid-State Delivery Service, Inc.	381	-0-	(2,403)
Nationwide Horse Carriers, Inc.	(25,871)	(12,688)	(50,240)
Petroleum Transportation, Inc.	(12,390)	(18,780)	(28,566)
Pitt County Transportation Co.	(5,152)	(9,882)	(13,247)
Public Transport Corp.	N.Apl.	(1,800)	(24,066)
Quality Oil Transport	(654)	10,508	21,851
Rabon Transfer	N.Apl.	(11,642)	(17,524)
Shamrock Transport Company	18,100	(14,520)	(23,265)
Southern Oil Transportation Co., Inc.	(18,794)	(2,557)	(2,223)
Stegall Milling Company	91	30,439	55,991
Stegall, T. G., Co.	-0-	(22,269)	(24,095)
Sugar Transport, Inc.	(10,000)	(29,740)	(57,259)
Superior Motor Express	NA	N.Apl.	N.Apl.
Swann Trucking Company	N.Apl.	21,358	29,907
Tarheel Transport, Inc.	(3,820)	(1,870)	(3,134)
Tatum Dalton Transfer Co.	270	6,218	14,314
Terminal City Transport, Inc.	(11,147)	(19,033)	(49,550)
Tidewater Transit Company, Inc.* ..	(4,320)	(5,091)	(12,568)
Underwood & Weld Company, Inc.** ..	N.Apl.	(9,496)	(10,359)
Webb Transfer Line, Inc.	1,086	(2,606)	(15,736)
Whittenton's Transfer	5,553	(16,225)	(34,466)
Widenhouse, A. C., Inc.	(29,618)	(23,993)	(50,544)
Wilson Transfer, Inc.	(6,511)	121,004	(4,158)
TOTALS	\$(55,545)	\$(95,031)	\$(362,938)

E Estimated
NA Not Available
N. Apl. Not Applicable
* Name change. Was changed from Van Gorp Van Service, Inc. 12-1-70
** Transferred from Class III

FIGURE NO. 36—Continued
MOTOR FREIGHT CARRIERS—CLASS II

Other Income or (Deductions) Net—Including Income Taxes		Net Income—After Taxes Total System				
1969	1970	1960	1967	1968	1969	1970
\$ (18,003)	\$ (19,056)	\$ 4,865	\$ 12,585	\$ 44,212	\$ 44,731	\$ 43,635
8,389	13,181	(4,723)	10,853	23,448	2,469	(12,710)
(10,056)	(9,801)	N.Apl.	15,760	18,157	22,161	32,903
(2,630)	-0-	(273)	201	624	5,908	(2,105)
(46,505)	(41,130)	20,031	48,052	78,138	46,639	51,993
(6,053)	(9,430)	27,262	20,161	8,789	2,580	(2,376)
(26,641)	(44,784)	N.Apl.	38,564	32,904	48,353	62,759
(16,752)	(17,516)	6,569	17,303	19,204	23,457	29,587
(570,198)	(816,883)	3,000	5,621	1,784	6,452	5,010
3,512	4,680	17,600	(63,895)	(23,083)	(844)	(4,328)
22,835	2,814	34,113	34,058	42,575	42,262	41,382
(27,940)	(27,992)	(5,551)	32,926	5,756	12,870	7,717
(4,985)	2,611	(12,207)	4,626	12,947	6,375	9,031
6,726	(8,086)	25,921	19,377	(4,763)	(575)	(20,639)
(12,169)	(22,857)	N.Apl.	N.Apl.	7,351	(4,773)	(15,080)
(11,705)	(19,967)	N.Apl.	19,504	45,524	10,816	17,683
180,176	157,628	3,466	22,921	(27,480)	6,162	(490)
(26,285)	(12,025)	9,684	31,312	37,943	24,198	(9,998)
(3,610)	(518)	N.Apl.	5,202	11,922	13,158	20,493
(1,718)	(1,847)	(1,176)	6,774	(95)	(1,218)	(2,058)
(1,667)	(2,471)	NA	13,259	8,968	20,012	37,899
(24,513)	(17,107)	N.Apl.	15,612	20,342	17,909	25,111
(1,379)	244	N.Apl.	N.Apl.	(710)	17,234	399
-0-	-0-	N.Apl.	(255)	(3,368)	(5,264)	(11,007)
(5,443)	(11,017)	N.Apl.	20,177	17,840	13,979	(322)
(10,430)	(29,513)	N.Apl.	(2,678)	(3,858)	10,321	47,041
(18,495)	(22,070)	N.Apl.	N.Apl.	N.Apl.	(16,926)	18,649
34,606	(41,511)	46,708	33,531	17,351	107,522	108,783
(1,730)	(6,669)	N.Apl.	N.Apl.	N.Apl.	39,460	12,998
7,876	(4,884)	21,386	14,998	16,743	(24,326)	(44,779)
(19,093)	(16,042)	N.Apl.	61,820	13,730	(52,980)	26,577
(17,148)	(11,687)	N.Apl.	13,336	7,661	13,534	408
(523)	2,228	(560)	1,385	8,841	5,013	(5,801)
(50,219)	(40,579)	(37,126)	68,714	25,319	45,973	27,193
(23,417)	(24,440)	16,610	(19,114)	22,820	10,694	(10,832)
-0-	(22,228)	8,563	16,657	11,987	24,767	25,278
(63,329)	(30,747)	N.Apl.	7,533	3,111	12,284	(18,319)
29,138	8,369	221,607	190,134	187,922	274,251	229,578
5,302	13,431	N.Apl.	31,123	30,439	42,841	44,595
(26,431)	(18,405)	57,305	45,989	46,973	54,253	60,131
12	(1,623)	44,206	(10,118)	(8,315)	20,798	(21,843)
38,439	101,283	32,655	61,886	46,309	68,113	109,097
(20,810)	(13,571)	5,021	34,163	16,542	98,670	168,108
(43,295)	(97,369)	18,000	71,424	37,473	62,464	40,051
-0-	(2,695)	NA	N.Apl.	N.Apl.	(3,314)	(20,746)
47,507	33,926	N.Apl.	14,950	12,518	28,608	19,491
(1,119)	2,509	5,302	15,604	38,673	7,178	(4,198)
28,953	31,924	12,974	36,890	22,271	7,687	20,775
(54,714)	(36,743)	11,814	45,875	45,842	42,135	51,537
(19,118)	(29,639)	14,119	28,798	28,069	25,313	57,117
(18,084)	(13,004)	N.Apl.	(22,625)	61,175	5,720	55,844
(10,338)	(48,647)	(33,155)	12,014	26,987	(28,588)	(94,895)
(9,151)	(15,299)	7,834	28,797	6,284	24,175	4,897
(4,563)	(38,839)	24,382	50,383	60,042	52,789	64,124
(2,711)	2,384	2,489	134,204	4,673	13,490	(5,306)
\$ (819,499)	\$ (1,271,479)	\$ 608,715	\$ 1,296,371	\$ 1,166,511	\$ 1,346,970	\$ 1,270,042

FIGURE NO. 37

MOTOR FREIGHT CARRIERS—CLASSES I AND II
Summary of Selected Income Items and Operational Statistics
For the Calendar Years of 1963, 1968, 1969, and 1970
(North Carolina and Systemwide Data Noted)

CLASS I CARRIERS (\$1,000,000 or more Operating Revenues)

	1963	1968	1969	1970	% Change More (Less) 1970-1969
Number of Companies Regulated	58	67	77	77	
Number Included in this Data	60	71	76	76	
Operating Revenues (N. C.)	92,301,949	151,633,337	175,393,953	175,580,818	.1
Income Items (Systemwide)					
Operating Revenues	422,736,202	1,085,221,616	1,180,104,396	1,502,939,516	27.4
Operating Expenses	399,052,187	1,023,016,256	1,131,881,959	1,431,740,405	26.5
Net Operating Revenue	23,684,015	62,205,360	48,222,437	71,199,111	47.6
Operating Ratio	94.4	94.3	95.9	95.2	(.7)
Other Income (Deductions)					
Net—Including Income Taxes	(10,315,498)	(32,060,525)	(26,757,325)	(45,065,659)	68.4
Net Income (After Income Taxes)	13,368,517	30,144,835	21,465,112	26,133,452	21.7
STATISTICS (N. C. DATA ONLY)					
Total Vehicle Miles Operated	145,117,532	210,485,422	233,608,674	244,037,931	4.5
Total Gallons Gasoline Purchased or Consumed	9,193,037	8,629,600	10,708,690	9,060,435	(15.4)
Total Gallons Diesel Fuel Purchased or Consumed	20,743,815	39,812,597	41,683,237	45,705,176	9.6
Gasoline, Other Fuel & Oil Taxes	1,954,793	3,100,071	3,870,014	4,184,628	8.1
N. C. Vehicle & Registration Fees	3,497,513	5,583,174	6,101,057	7,688,803	26.0
Real Estate & Personal Property Taxes	502,042	1,122,540	1,274,366	1,448,317	13.7
Total Operating Taxes, Other Taxes & License Registration Fees Paid to N. C.	6,422,170	10,479,692	11,873,240	14,267,401	20.2
STATISTICS (SYSTEMWIDE)					
Total Vehicle Miles Operated	691,446,194	1,225,569,731	1,338,145,617	1,480,065,606	10.6
Tons of Revenue Freight Hauled	21,256,470	67,565,233	68,808,518	71,228,020	3.5
Average Freight Revenue per ton—High-Low Range	184.45-2.58	213.79-1.44	216.96-1.69	165.60—.27	N.Apl.
Average Freight Revenue per Ton—Mean	NA	40.04	27.69	29.51	6.6
Average Freight Revenue per Ton—Median	NA	23.73	21.89	24.10	10.1
Average No. Vehicles Operated Daily	11,246	16,874	21,248	22,804	7.3

NA Not Available
N.Apl. Not Applicable

FIGURE NO. 37—Continued

MOTOR FREIGHT CARRIERS—CLASSES I AND II
Summary of Selected Income Items and Operational Statistics
For the Calendar Years of 1963, 1968, 1969, and 1970
(North Carolina and Systemwide Data Noted)

CLASS II CARRIERS (\$200,000 to \$1,000,000 Operating Revenues)					GRAND TOTALS CLASSES I & II				
1963	1968	1969	1970	% Change More (Less) 1970-1969	1963	1968	1969	1970	% Change More (Less) 1970-1969
62	59	55	55		120	126	132	132	
62	50	55	55		120	121	131	131	
8,041,721	15,554,817	17,488,078	18,986,231	8.6	100,343,670	167,188,154	192,882,031	194,567,049	.9
17,312,460	29,461,343	31,873,102	34,314,453	7.7	440,048,662	1,114,682,959	1,211,977,498	1,537,253,969	26.8
16,307,337	27,725,060	29,706,633	31,772,932	7.0	415,359,524	1,050,741,316	1,161,588,592	1,463,513,337	26.0
1,005,123	1,736,283	2,166,469	2,541,521	17.3	24,689,138	63,941,643	50,388,906	73,740,632	46.3
94.2	94.1	93.2	92.6	(.6)	94.4	94.3	95.9	95.2	(.7)
(105,916)	(443,527)	(819,499)	(1,271,479)	55.2	(10,421,414)	(32,504,052)	(27,576,824)	(46,337,138)	68.0
899,207	1,292,756	1,346,970	1,270,042	(5.7)	14,267,724	31,437,591	22,812,082	27,403,494	20.1
37,115,970	33,800,373	31,001,054	31,449,997	1.4	182,233,502	244,285,795	264,609,728	275,487,928	4.1
3,055,918	1,218,640	1,092,782	1,500,595	37.3	12,248,955	9,848,240	11,801,472	10,561,030	(10.5)
3,180,480	3,434,706	5,027,665	3,748,566	(25.4)	23,924,295	43,247,303	46,710,902	49,453,742	5.9
405,787	302,041	356,380	423,099	18.7	2,360,580	3,402,112	4,226,394	4,607,727	9.0
636,769	558,233	617,503	681,681	10.4	4,134,282	6,141,407	6,718,560	8,370,484	24.6
90,230	127,583	130,463	116,918	(10.4)	592,272	1,250,123	1,404,829	1,565,235	11.4
1,294,349	1,103,592	1,282,423	1,401,592	9.3	7,716,519	11,583,284	13,155,663	15,668,993	19.1
71,252,104	48,996,068	48,941,254	53,271,110	8.8	762,698,298	1,274,565,799	1,387,086,871	1,533,336,716	10.5
6,006,207	4,324,185	3,285,712	4,520,042	37.6	27,262,677	71,889,418	72,094,230	75,748,062	5.1
199.32-45	302.85-1.50	306.97-1.52	351.85-1.29	N.Apl.	N.Apl.	N.Apl.	N.Apl.	N.Apl.	N.Apl.
NA	37.23	37.42	35.98	(3.8)	N.Apl.	N.Apl.	N.Apl.	N.Apl.	N.Apl.
NA	8.18	9.84	9.65	(1.9)	N.Apl.	N.Apl.	N.Apl.	N.Apl.	N.Apl.
1,200	1,154	1,259	1,208	(4.1)	12,446	18,028	22,507	24,012	6.7

MOTOR PASSENGER CARRIERS

GENERAL COMMENTS

At December 31, 1970, there were 70 motor carriers of passengers operating in North Carolina and being fully or partially under the regulation of the North Carolina Utilities Commission. Nine (9) of these carriers are franchised by the governing authorities of the municipalities in which they operate. The Commission's jurisdiction over these carriers is limited to the approval or disapproval of fares and to the annual filing of reports of operations. The remaining 61 carriers are fully regulated by the Commission. However, five (5) of these are transportation brokers and three (3) are Motor Boat Common Carriers. There is no operating data for these eight (8) carriers involved in this report. Operating and statistical data are included in this report for the remaining 53 passenger carriers including the two (2) Duke Power Company franchises (Durham and Greensboro) being treated as one company.

INTERCITY MOTOR PASSENGER CARRIERS

Financial and statistical data is presented for all the regulated intercity carriers having separate operations during 1970. The intercity carriers have franchises and operating rights to serve two or more points and are further classed and operate as a common carrier or contract carrier, over either interstate or intrastate routes.

The following table shows the breakdown of these classifications as of December 31, 1969 and 1970:

Classification	Number of Carriers	
	1969	1970
Class I — \$200,000 or more annual operating revenue	8	8
Class II — \$50,000 to \$200,000 annual operating revenue	9	10
Class III—Under \$50,000 annual operating revenue	28	25
Total	45	43
Type Carrier		
Common	35	34
Contract	10	9
Total	45	43
Scope		
Interstate	15	16
Intrastate	30	27
Total	45	43

STATISTICAL SUMMARY DATA

Class I carriers for their North Carolina operations had an increase in operating revenues of 3.7% in 1969 and 4.3% in 1970, while total bus miles operated decreased by 2.7% in 1969 and decreased 4.6% in 1970.

Systemwide operations for the Class I carriers resulted in an increase in the operating ratio in 1970 over 1969 from 86.1% to 87.1%. Figure No. 38 shows graphically the trend in Class I intercity carriers operating revenues.

Number of revenue passengers hauled by the Class I and II intercity carriers decreased in 1970 over 1969. The Class I carriers decreased 6.2%, and the Class II carriers decreased 1.1% for a total decrease of 7.3%.

INTRACITY MOTOR PASSENGER CARRIERS

During 1970, there were 19 intracity carriers operating under the jurisdiction of the Utilities Commission. Nine cities are served by these carriers for which the Commission regulates only the fares charged. See Figure No. 42 for a list of companies and cities served.

These 19 intracity carriers are grouped as follows regarding size, type and scope of operations:

Classification	Number of Carriers
Class I — \$200,000 or more annual operating revenue	6
Class II — \$50,000 to \$200,000 annual operating revenue	11
Class III—Under \$50,000 annual operating revenue	2
Total	19
Type Carrier	
Common	19
Scope—All intrastate	19

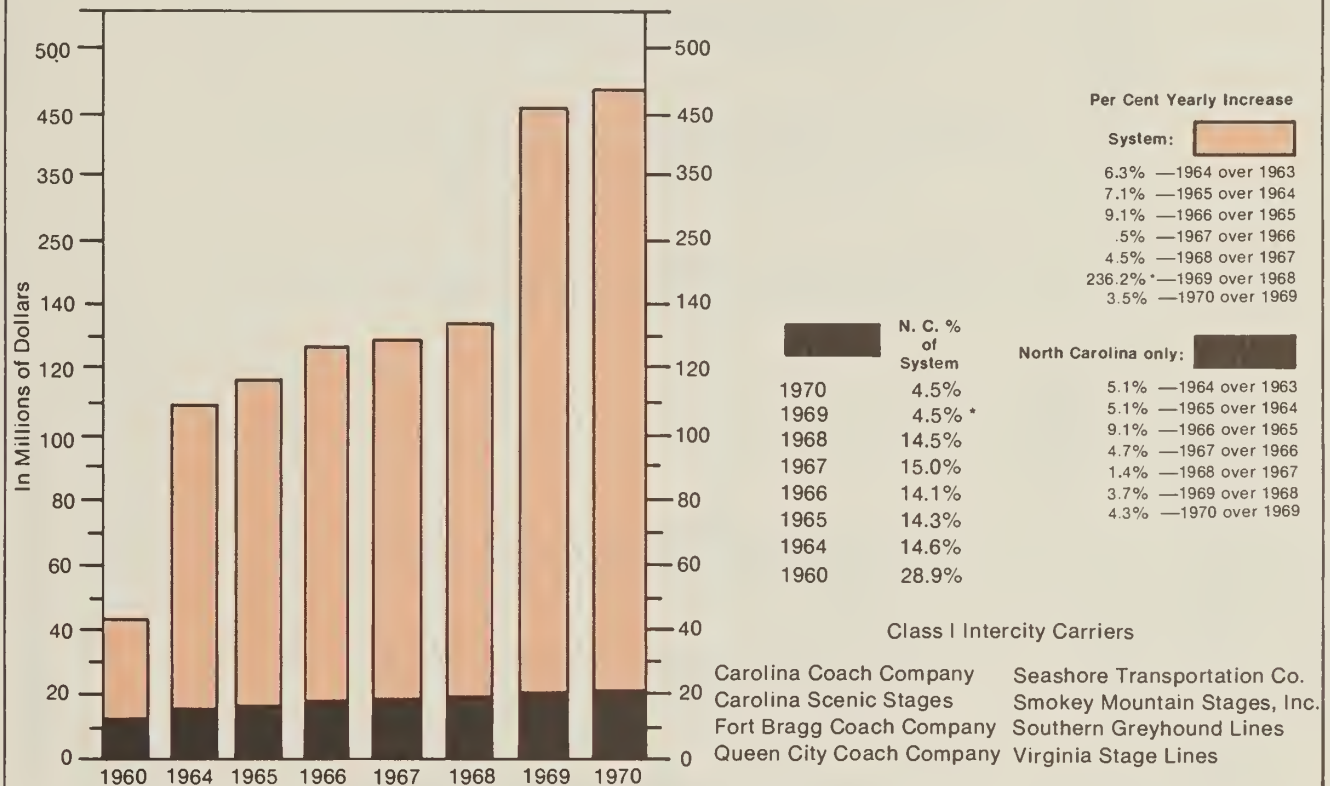
STATISTICAL SUMMARY DATA

For statistical purposes, the 19 (actually 18 when Duke Power operations in Durham and Greensboro are combined) intracity carriers are grouped together as though all were fully regulated by the North Carolina Utilities Commission.

As shown on Figure No. 43, the intracity carriers as a group experienced an increase in operating revenues of 3.5% in 1970 over 1969, and operating expenses increased 6.1% over the same period. This, coupled with a decrease in other income, produced a net operating revenue loss of \$464,825 which was 58.4% higher than the 1969 loss of \$293,389. Bus miles operated decreased by 1.3% in 1970 compared to 1969.

FIGURE NO. 38

CLASS I INTERCITY CARRIERS OPERATING REVENUES
(North Carolina and Systemwide Data)
1960, 1964-1970



* 1969 Data reflects Greyhound Lines, Inc.
1966-1968 data includes Southern Greyhound Lines only.
This inclusion of the total Greyhound system accounts for the abnormally high increase in the 1969 data compared to the 1968.

FIGURE NO. 39

MOTOR PASSENGER CARRIERS—INTERCITY—CLASSES I AND II
Number of Revenue Passengers Carried
Systemwide Data
1966, 1968, 1969, 1970

	1966	1968	1969	1970	% Increase (Decrease) 1970 over 1969
8 Class I Carriers	40,031,142	37,591,493	104,278,103	97,831,669	(6.2)
10 Class II Carriers	2,579,561	2,886,921	2,314,032	2,288,729	(1.1)
Grand Total	42,610,703	40,478,414	106,592,135	100,120,398	(6.1)

FIGURE NO. 40

MOTOR PASSENGER CARRIERS—INTERCITY—CLASSES I, II, AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1963, 1968, 1969, and 1970
(North Carolina and Systemwide Data Noted)

	Class I Data					Class II Data				
	\$200,000 or more—Operating Revenues					\$50,000 to \$200,000—Operating Revenues				
	1963	1966	1969	1970	% Change More (Less) 1970 over 1969	1963	1968	1969	1970	% Change More (Less) 1970 over 1969
No. of Companies Included in This Data:										
Interstate Operator(s)	7	8	8	8		2	4	4	4	
Intrastate Operator(s)	0	0	0	0		4	6	6	6	
Operating Revenues (N. C. Portion)	15,233,000	19,499,000	20,224,000	21,102,000	4.3	788,068	1,211,214	1,249,496	1,221,206	2.3
Income Items (Systemwide):										
Operating Revenues	103,183,000	134,702,000	452,808,000*	468,554,000	3.5	830,679	1,367,186	1,421,803	1,392,946	2.0
Operating Expenses	84,592,000	111,410,000	389,756,000	408,288,000	4.8	815,694	1,112,214	1,236,233	1,278,793	3.4
Net Operating Revenue	18,591,000	23,292,000	63,052,000	60,266,000	(4.4)	14,985	254,972	185,570	114,153	(38.5)
Operating Ratio	81.9%	82.7%	86.1%	87.1%	1.2	98.2	81.3	86.9	91.8	5.6
Other Income or (Deduction)—Net	(8,166,000)	(10,174,000)	(29,716,000)	(24,778,000)	(16.6)	2,331	(154,997)	(123,404)	(96,074)	(22.1)
Net Income	10,425,000	13,118,000	33,336,000	35,488,000	6.5	17,316	99,975	62,166	18,079	(70.9)
Statistics (N. C. Data Only): ³										
Total Bus Miles Operated	28,524,266	31,466,840	30,629,916	29,218,590	(4.6)	2,450,038	2,329,233	2,407,807	2,159,642	(10.3)
Length of Bus Route Miles—One Way	7,630	7,671	7,123	7,247	1.7	2,314	1,493	1,482	738	(50.2)
Total Gallons Gasoline Purchased or Used	233,544	169,223	112,530	137,728	22.4	234,983	303,030	213,006	167,001	(21.6)
Total Gallons Diesel Fuel Purchased or Used	5,167,641	6,675,863	5,186,671	6,006,269	15.8	13,459	153,452	208,136	176,498	(15.2)
No. of tickets sold which originated in N. C. (excludes charter)	NA	4,351,519	4,075,962	4,078,160	.1	NA	2,765,704	1,935,049	2,096,367	8.3
Revenue for tickets originating in N. C. (excludes charter & school passengers)	NA	13,819,804	13,958,013	13,441,701	(3.7)	NA	580,036	547,528	495,175	(9.6)
Average Revenue Per Ticket Originating in N. C.	NA	3.18	2.69	2.78	3.3	NA	21	28	31	.02
Other Revenues Originating in N. C. by Charter & Express	NA	4,593,999	5,145,877	5,169,419	.5	NA	690,921	673,777	743,829	10.4
Statistics (Systemwide): ³										
Number of Revenue Passengers Carried (all classes)	36,861,971	37,591,497	104,278,103*	97,831,669	(6.2)	3,219,280	2,886,921	2,314,032	2,288,729	(1.1)
Average Fare Per Passenger Carried ²	2.26	2.91	3.68*	4.00	8.7	.25	.26	.49	.52	6.1
Average Number of Buses Owned	1,941	1,980	5,805*	5,728	(1.3)	73	121	107	95	(21.8)
Average Number of Buses Operated ¹	1,705	2,001	5,596*	5,532	(1.1)	55	55	55	51	(7.3)
Average number of Employees	6,449	6,790	21,766*	21,660	(.5)	81	130	105	108	2.9

NA Not Available.

* 1969 Data reflects Greyhound Lines, Inc.; 1963-1968 data includes Southern Greyhound Lines only. This inclusion of the total Greyhound system accounts for the abnormally high increase in 1969 data compared to 1968.

¹ May include units leased and standby buses.

² Operations of the Class II intrastate carriers are essentially confined to one city or an adjacent area; therefore, the average fare per passenger is much less than the regular intercity intrastate carriers.

³ All statistical data excludes school passengers and revenues.

FIGURE NO. 40—Continued

MOTOR PASSENGER CARRIERS—INTERCITY—CLASSES I, II, AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1963, 1968, 1969, and 1970
(North Carolina and Systemwide Data Noted)

	Class III Data					% Change		GRAND TOTALS			
	\$50,000 or under—Operating Revenues					More (Less)		1968	1969	1970	% Change More (Less) 1970 over 1969
	1963	1968	1969	1970							
No. of Companies Included in this Data											
Interstate Operators	6	9	9	8							
Intrastate Operators	27	17	17	17							
Operating Revenues (N. C. Portion)	592,556	457,563	520,282	535,758		3.0	16,613,624	21,167,777	21,993,778	22,858,964	3.9
Income Items (Systemwide):											
Operating Revenues	697,113	569,194	630,779	663,707		5.2	104,710,792	136,638,380	454,860,582	470,610,653	3.5
Operating Expenses	654,796	520,238	581,054	610,907		5.1	86,062,490	113,042,452	391,573,287	410,177,700	4.8
Net Operating Revenues	42,317	48,956	49,725	52,800		6.2	18,648,302	23,595,928	63,287,295	60,432,953	(4.5)
Operating Ratio	93.9	91.4	92.1	92.0			82.2	82.7	86.1	87.2	1.3
Other Income or (Deductions)—Net	21,414	38,991	21,820	16,917		(22.5)	(8,142,255)	(10,290,006)	(29,817,584)	(24,857,157)	(16.6)
Net Income	63,731	87,947	71,545	69,717		2.6	10,506,047	13,305,922	33,469,711	35,575,796	6.3
Statistics (N. C. Data Only): ³											
Total Bus Miles Operated	NA	NA	1,474,371	1,465,439		(.6)	30,974,304	33,796,073	34,512,094	32,843,671	(4.8)
Length of Bus Route Miles—One Way	do	do	1,023	1,017		(.6)	9,944	9,164	9,628	9,002	(6.5)
Total Gallons Gasoline Purchased or Used	do	do	87,780	97,137		10.7	469,527	472,253	413,316	401,866	(2.8)
Total Gallons Diesel Fuel Purchased or Used	do	do	95,848	94,010		(1.9)	5,181,100	6,829,315	5,490,655	6,276,777	14.3
No. of tickets sold which originated in N. C. (excludes charter)	do	do	332,194	728,923		119.4	NA	7,117,223	6,343,205	6,903,450	8.8
Revenue for tickets originating in N. C. (excludes charter & school passengers)	do	do	240,574	184,128		do	NA	14,399,840	14,746,115	14,121,004	(4.2)
Average Revenue Per Ticket Originating in N. C.	do	do	.72	.73		(23.5)	NA	2.02	2.32	2.05	(11.6)
Other Revenues Originating in N. C. by Charter — Express	do	do	265,028	276,048		4.2	NA	5,284,920	6,084,682	6,189,296	1.7
Statistics (Systemwide): ³											
Number of Revenue Passengers Carried (All Classes)	do	do	462,020	1,005,075		117.5	40,081,251	40,478,418	107,054,155	101,125,473	(5.5)
Average Fare Per Passenger Carried ²	do	do	.97	.88		(9.3)	2.28	2.72	3.60	3.83	6.4
Average Number of Buses Owned	do	do	96	102		6.3	2,014	2,101	6,008	5,925	(1.4)
Average Number of Buses Operated ¹	do	do	40	56		40.0	1,760	2,056	5,691	5,639	(.9)
Average Number of Employees	do	do	36	67		86.1	6,530	6,920	21,907	21,835	(.3)

NA Not Available.

¹ 1969 Data reflects Greyhound Lines, Inc.'s 1963-1968 data includes Southern Greyhound Lines only. This inclusion of the total Greyhound system accounts for the abnormally high increase in 1969 data compared to 1968.

² May include units leased and standby buses.

³ Operations of the Class II intrastate carriers are essentially confined to one city or an adjacent area; therefore, the average fare per passenger is much less than the regular intercity intrastate carriers.

All statistical data excludes school passengers and revenues.

FIGURE NO. 41

MOTOR PASSENGER INTRACITY CARRIERS—CLASSES I, II, AND III
Total Operating Revenues, Expenses, and Ratios
For the Years 1963, 1967 through 1970
Thousands

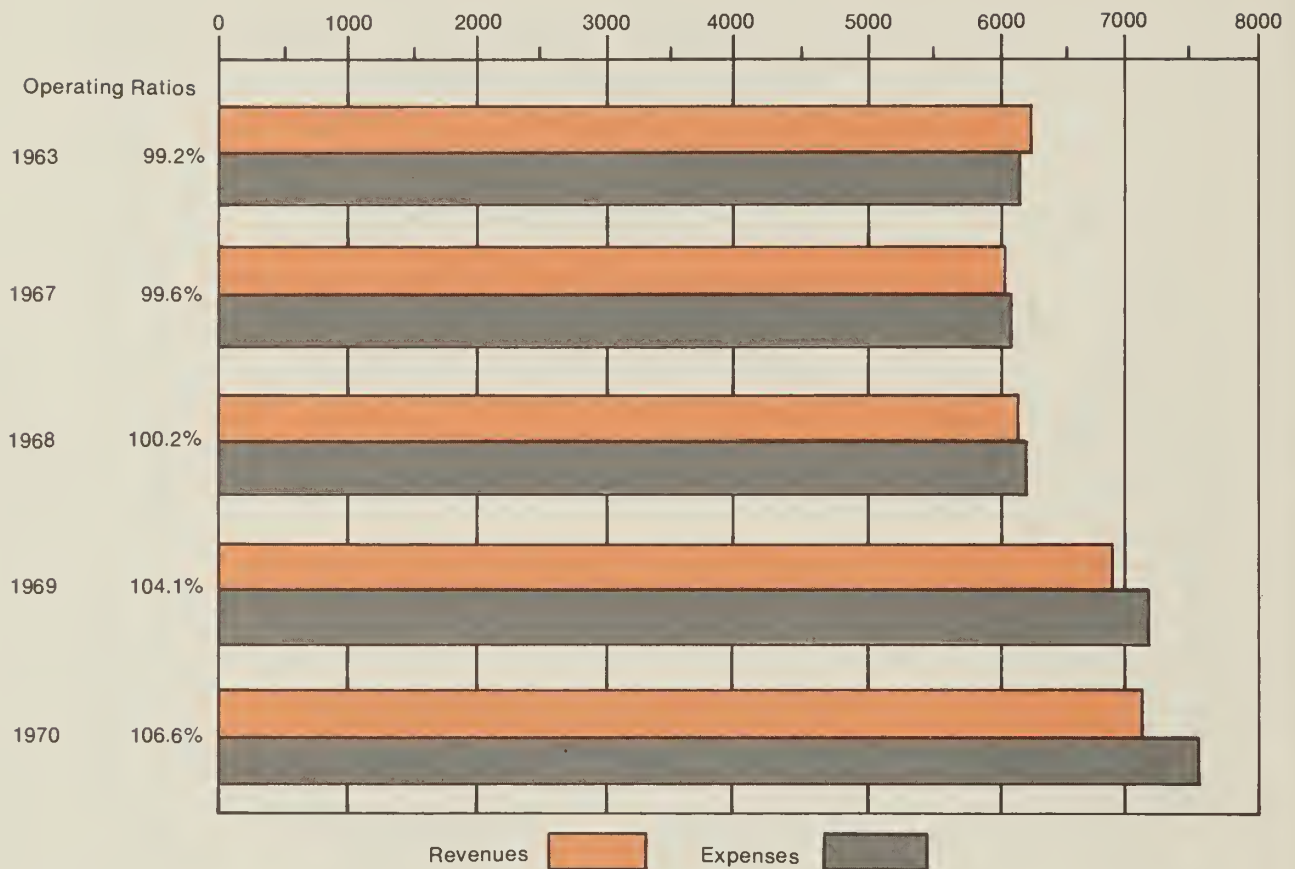


FIGURE NO. 42

INTRACITY CARRIERS FRANCHISED BY MUNICIPALITIES FARES ONLY
REGULATED BY THE NORTH CAROLINA UTILITIES COMMISSION

Company	City Served
Charlotte City Coach Lines, Inc.	Charlotte
City Bus Line	Lexington
Consolidated Bus Lines, Inc.	High Point
Consolidated Bus Lines, Inc.	Salisbury
Duke Power Company*	Durham
Duke Power Company*	Greensboro
Raleigh City Coach Lines, Inc.	Raleigh
Safe Bus Company, Inc.	Winston-Salem
Safety Transit Company	Rocky Mount

* Files only one operating and financial report with the North Carolina Utilities Commission.

FIGURE NO. 43

MOTOR PASSENGER CARRIERS—INTRACITY—CLASSES I, II, AND III
Summary of Selected Income Items and Operational Statistics
For the Calendar Years 1963, 1968, 1969, and 1970
(All Intracity Carriers are Intrastate Operators Only)

ITEM	CLASS I DATA					CLASS II DATA				
	1963	1968	1969	1970	% Change More (Less) 1970 over 1969	1963	1968	1969	1970	% Change More (Less) 1970 over 1969
Intracity Carriers—Regulated to Fares only ¹	5	5	5	5						
Carriers Fully Regulated Included in this Data ²	4	1	1	1						
Income Items										
Operating Revenues	5,224,987	4,799,559	5,258,095	5,430,241	3.3	966,930	1,362,710	1,396,552	1,429,839	2.4
Operating Expenses	5,215,566	4,857,783	5,541,112	5,886,105	6.2	924,822	1,321,989	1,400,603	1,453,061	3.7
Net Operating Revenues	9,421	(58,224)	(283,017)	(455,864)	61.1	42,108	40,721	(4,051)	(23,222)	473.2
Operating Ratio	99.8	102.7	105.4	108.4	2.8	95.7	97.0	100.3	101.6	1.3
Other Income or (Deductions)—Net	(30,227)	(29,281)	(26,735)	(38,302)	43.3	(9,421)	4,481	13,846	38,657	179.2
Net Income After Taxes ³	31,194	(87,505)	(309,752)	(494,166)	59.5	32,687	45,202	9,795	15,435	57.6
Statistics:										
Length of Bus Route Miles—One Way	720	493	531	502	(5.5)	519	520	520	520	—0—
Total Number of Buses Owned	389	290	299	305	2.0	134	147	142	142	—0—
Average Number of Buses Operated Daily	329	258	273	282	3.3	97	98	97	84	(13.4)
Total Bus Miles Operated During Year	10,587,915	8,143,439	8,274,896	8,195,876	(1.0)	2,869,181	3,370,531	3,113,765	3,066,698	(1.5)
Total Passengers Hauled During Year	29,854,702	25,702,804	26,495,434	24,876,354	(6.1)	5,191,038	6,425,519	5,804,374	5,526,864	(4.8)
Total School Passengers Hauled During Year*	NA	3,482,752	3,228,662	2,955,734	(8.5)	NA	1,175,599	1,058,862	1,260,698	19.1
Average Passenger Fare .....	.17w/a	.18w/a	.24w/a	.25w/a		.17	.22	.22	.31	40.9
School Passenger Fare Range—High-Low	NA	.10-.09	.10-.09	.10-.09		NA	.12-.10	.15-.10	.15-.10	
Average Number of Bus Drivers	449	386	401	415	3.5	87	105	101	105	4.0
Average Number of Full-time N. C. Employees	665	566	580	579	(.2)	141	159	161	167	3.7

* Included in total passengers hauled during year.

NA Not Available.

¹ Duke Power Co. serves both Greensboro and Durham, but is treated as one franchise, and one report, for this purpose.

² For purposes of this study, companies operating predominantly within a municipality are considered intracity carriers although they may hold a certificate from the Utilities Commission for operations outside the municipal limits.

³ Net Income is computed by excluding the data for Duke Power Co. for the year 1963 only.

w/a Weighted Average

FIGURE NO. 43—Continued

MOTOR PASSENGER CARRIERS—INTRACITY—CLASSES I, II, AND III
 Summary of Selected Income Items and Operational Statistics
 For the Calendar Years 1963, 1968, 1969, and 1970
 (All Intracity Carriers are Intrastate Operators Only)

ITEM	CLASS III DATA					GRAND TOTALS				
	1963	1968	1969	1970	% Change More (Less) 1970 over 1969	1963	1968	1969	1970	% Change More (Less) 1970 over 1969
Intracity Carriers—Regulated to Fares Only ¹	4	1	1	1						
Carriers Fully Regulated Included in This Data ²	4	2	2	2						
Income Items										
Operating Revenues	143,752	118,578	150,742	186,788	23.9	6,335,669	6,280,847	6,805,389	7,046,868	3.5
Operating Expenses	143,157	114,503	141,780	173,624	22.5	6,283,545	6,294,275	7,083,495	7,512,790	6.1
Net Operating Revenues	595	4,075	8,962	13,164	46.9	52,124	(13,428)	(278,106)	(465,922)	67.5
Operating Ratio	99.6	96.6	94.1	93.0	(1.2)	99.2	100.2	104.1	106.6	2.4
Other Income or (Deductions)—Net	4,567	(1,230)	(2,394)	742	131.0	(35,081)	(26,030)	38,187	1,097	(97.1)
Net Income After Taxes ³	5,162	2,845	6,568	13,906	111.7	69,043	(39,458)	(293,389)	(464,825)	58.4
Statistics:										
Length of Bus Route Miles—One Way	118	64	60	60	—0—	1,357	1,077	1,111	1,082	(2.6)
Total Number of Buses Owned	31	17	17	17	—0—	554	454	458	464	1.7
Average Number of Buses Operated Daily	17	11	11	8	(27.3)	443	367	381	374	(1.8)
Total Bus Miles Operated During Year	595,327	328,629	344,389	317,660	(7.8)	14,052,423	11,842,599	11,733,050	11,580,234	(1.3)
Total Passengers Hauled During Year	1,041,464	578,391	576,657	580,607	.7	36,087,204	32,706,714	32,876,465	30,983,825	(5.8)
Total School Passengers Hauled During Year*	NA	175,960	189,836	181,833	(4.2)	NA	4,834,311	4,477,360	4,398,265	(1.8)
Average Passenger Fare	.14	.20	.26	.24	(7.7)	.17	.20	.20	.23	15.0
School Passenger Fare Range—High-Low	NA	.15-.10	.15-.10	.15-.10	(10.0)	NA	.15-.09	.20-.10	.20-.10	3.3
Average Number of Bus Drivers	18	12	10	9	(7.1)	554	503	512	529	.5
Average Number of Full-time N. C. Employees	25	16	14	13		831	741	755	759	

* Included in total passengers hauled during year.

NA Not Available.

¹ Duke Power Co. serves both Greensboro and Durham, but is treated as one franchise, and one report, for this purpose.

² For purposes of this study, companies operating predominantly within a municipality are considered intracity carriers although they may hold a certificate from the Utilities Commission for operations outside the municipal limits.

³ Net Income is computed by excluding the data for Duke Power Co. for the year 1963 only.



VI. The Transportation Industry - Rail



MAP OF
NORTH CAROLINA RAILROADS
PREPARED BY
NORTH CAROLINA UTILITIES COMMISSION
RALEIGH, N.C.

1970

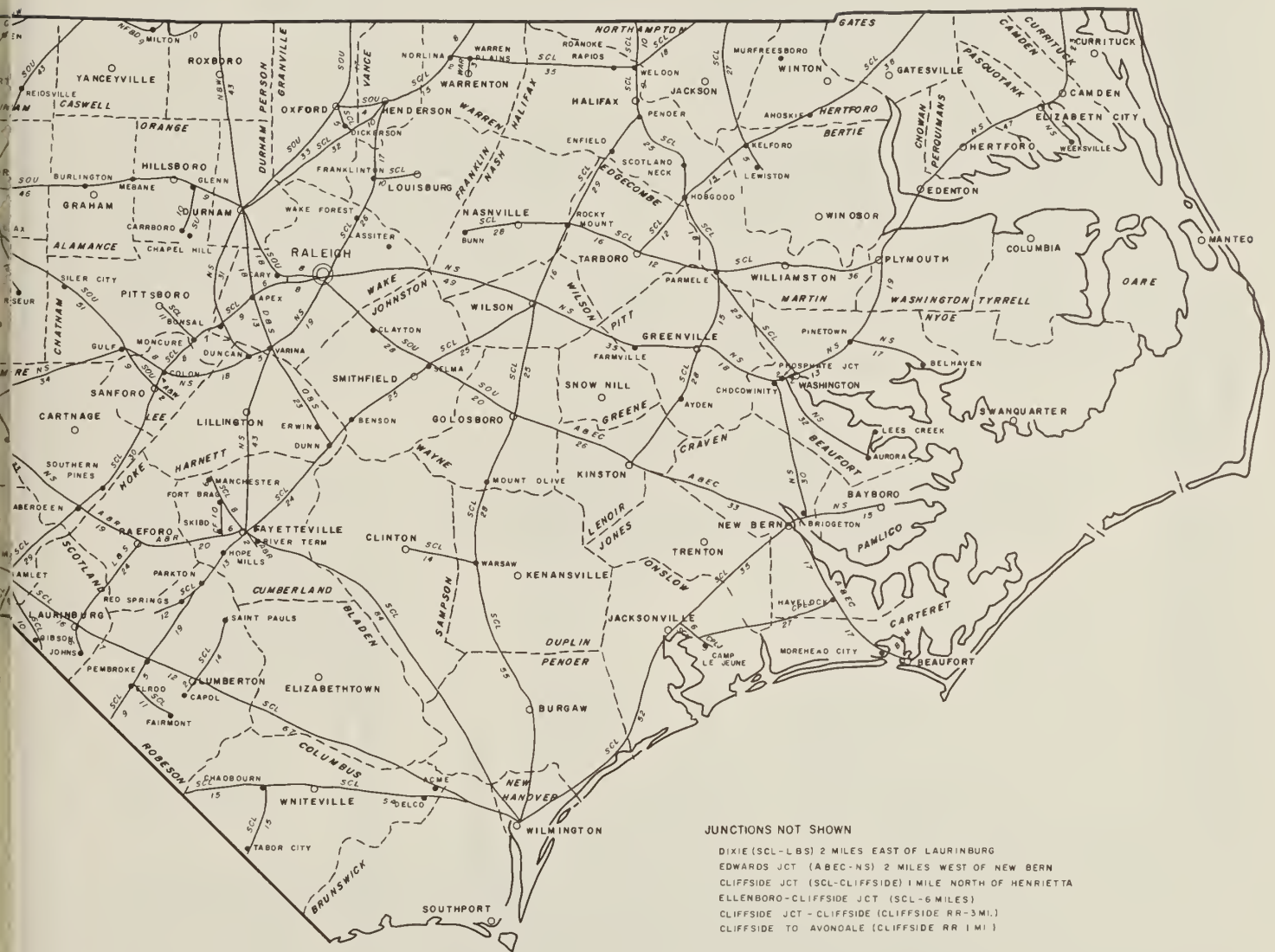


FIGURE No. 45

RAILROADS OPERATING IN NORTH CAROLINA AS OF DECEMBER 31, 1970

	Name	Main Business Office	Class	Abbreviation	North Carolina	Mileage	
						System	% in N. C.
1.	Aberdeen and Rockfish Railroad Company	Aberdeen, N. C.	II	A&R	46.92	46.92	100.00
2.	Alexander Railroad Company	Taylorsville, N. C.	II	ARC	18.59	18.59	100.00
3.	Atlantic and East Carolina Railway Company	Washington, D. C.	II	A&EC	95.25	95.25	100.00
4.	Atlantic and Western Railway Company	Sanford, N. C.	II	A&W	3.38	3.38	100.00
5.	Beaufort and Morehead Railroad Company						
	A. T. Leary, Lessee	Beaufort, N. C.	II	B&MH	3.30	3.30	100.00
6.	Camp Lejeune Railroad Company	Washington, D. C.	II	CLRR	29.64	29.64	100.00
7.	Cape Fear Railways, Incorporated	Fort Bragg, N. C.	II	CFR	10.00	10.00	100.00
8.	Carolina and Northwestern Railway Company	Washington, D. C.	II	Car&NW	157.03	283.87	55.32
9.	Cliffside Railroad Company	Cliffside, N. C.	II	Cliff	3.70	3.70	100.00
10.	Clinchfield Railroad Company	Erwin, Tennessee	I	CC&O	117.40	306.05	38.36
11.	Durham and Southern Railway Company	Durham, N. C.	II	D&S	59.10	59.10	100.00
12.	High Point, Thomasville & Denton Railroad Company	High Point, N. C.	II	HPT&D	33.78	33.78	100.00
13.	Laurinburg and Southern Railroad Company	Laurinburg, N. C.	II	L&S	27.93	27.93	100.00
14.	Louisville and Nashville Railroad Company	Louisville, Kentucky	I	L&N	12.94	6,067.53	0.21
15.	Norfolk and Western Railway Company	Roanoke, Virginia	I	N&W	115.30	7,593.97	1.52
16.	Norfolk, Franklin and Danville Railway Company	Suffolk, Virginia	II	NF&D	22.04	204.51	10.78
17.	Norfolk Southern Railway Company	Raleigh, N. C.	I	NS	575.31	624.10	92.18
18.	Seaboard Coast Line Railroad Company	Jacksonville, Fla.	I	SCL	1,592.55	9,263.21	17.25
19.	Southern Railway Company	Washington, D. C.	I	Sou	1,283.22	6,067.85	21.14
20.	State University Railroad Company	Washington, D. C.	II	SURR	10.15	10.15	100.00
21.	Warrenton Rail Road Company	Warrenton, N. C.	II	War	3.00	3.00	100.00
22.	Winston-Salem Southbound Railway Company	Jacksonville, Fla.	II	WSS	98.03	98.03	100.00
23.	Yancey Railroad Company	Burnsville, N. C.	II	Yancey	12.83	12.83	100.00
TOTALS					4,336.39	30,866.69	14.05

CLASS I—Railroads having annual revenues of \$5,000,000 or more.

CLASS II—Railroads having annual revenues of less than \$5,000,000.

THE TRANSPORTATION INDUSTRY—RAIL

Twenty-three (23) railroads operated 4,337 miles of trackage in North Carolina as of December 31, 1970. All of these railroads were operating under the jurisdiction of the Utilities Commission. (See Figure No. 45.) On December 31, 1969 there were 24 railroads operating, but Graham County Railroad Company ceased operations on March 1, 1970.

The 23 railroads are classified as follows:

Type	Description	Number
Class I	\$5,000,000 or more annual revenue	6
Class II	Less than \$5,000,000 annual revenue	17

STATISTICAL SUMMARY DATA

Operating revenues of the railroads increased in 1970 over 1969. The increase in operating revenues was less for the total system (7.4% in 1970) than for the portion allocated to North Carolina (7.6% in 1970). Operating expenses also increased in 1970, with the total system expense increasing at a faster rate than the North Carolina allocated expenses.

The North Carolina operating ratio decreased in 1970 to 77.0%, a .9% decrease from the 1969 ratio of 77.7%. This decrease indicates a larger margin of gross profits from operations. (See Figure No. 46.)

Only one (1) of the six (6) Class I railroads operating in North Carolina had a net operating loss on

their N. C. operations in 1970, as compared with two (2) in 1969. In the Class II group there were two (2) railroads that had net operating losses in both 1969 and 1970.

Passenger revenues and number of passengers hauled decreased in 1970, following the trend of previous years. This decreasing trend in passenger service in North Carolina is typical of the national pattern. Virtually all the passenger activity in North Carolina is carried on by Class I railroads and reflects for the most part passengers traveling through the state on the north-south run of Seaboard Coast Line Railroad Company.

The railroads continued their activity in consolidating their freight handling operations by requesting permission from the Commission to discontinue freight handling facilities at several locations. REA Express also requested authority to close several of its offices where previously express packages were shipped and received. The requests by the companies to close or discontinue service at most of the locations were based on economic factors with the volume of freight handled at the particular location being the main reason given.

Below are the companies and the location affected by either the station or team track being closed by authority granted by the Commission after hearings or opportunity for protestors to be heard were afforded the public.

Company	Location of Station or Track	Item Affected	Date of Order
Norfolk Southern Railway Co.	Washington	Station Closed	3-9-70
Norfolk Southern Railway Co.	Middlesex	Station Closed	3-24-70
Norfolk Southern Railway Co.	Bailey	Station Closed	3-24-70
Norfolk Southern Railway Co.	Mackeys	Station Closed	2-19-70
Norfolk Southern Railway Co.	Stantonsburg	Station Closed	6-22-70
Norfolk Southern Railway Co.	Walstonburg	Station Closed	6-22-70
Seaboard Coast Line RR Co.	Addor	Team Track & Station Closed	3-20-70
Seaboard Coast Line RR Co.	Macon	Station Closed	4-30-70
Seaboard Coast Line RR Co.	Crouse	Team Track & Station Closed	6-19-70
Southern Railway Co.	Grover	Station Closed	3-11-70
Norfolk Southern Railway Co.	Wendell & Zebulon	Operations Dualized	12-29-70
REA Express, Inc.	Mackeys	Office Closed	2-23-70
REA Express, Inc.	Angier	Office Closed	1-26-70
REA Express, Inc.	Coats	Office Closed	1-26-70
REA Express, Inc.	Bailey	Office Closed	3-26-70
REA Express, Inc.	Mayodan	Office Closed	3-24-70

Railway freight activity in North Carolina, as reflected by the tons of freight originating in North Carolina, increased by 6.2% in 1970 over 1969. Figure No. 47 shows for several years the tons of freight, by major commodity groups, that originated in North Carolina. Changes in the commodity groups do not necessarily indicate the total level of activity in these items since there are alternate modes of transportation available for their movement.

The number of employees residing in North Carolina and working for the railroads continued to decrease in 1970; however, average compensation for the workers continued to increase and reached an average of \$9,464 for the 7,340 employees.

See Figure No. 48 for additional financial and statistical data on the Class I and II railroads.

RAIL CROSSINGS

There were 4,768 highway-railroad grade crossings in North Carolina as of December 31, 1970, as compared with 4,853 in 1969. During 1969 there were 35 deaths and 157 injuries and in 1970 there were 39 deaths and 183 injuries at the rail-highway crossings. The Utilities Commission has very limited jurisdiction in the elimination of grade crossings and the erection of signaling devices at them since jurisdiction over state highway system roads and links therein, including the proration of costs of relocation and signaling devices, is in the High

way Commission with a statutory provision that 90 percent of such costs are to be borne by the Highway Commission.

RAIL SAFETY ACTIVITY BY COMMISSION

During 1970, as in previous years, the Utilities Commission was very active in the investigation and surveillance of the condition of rail trackage

and other rail equipment and facilities in an effort to minimize the frequency and severity of rail accidents caused by inadequate maintenance and/or malfunctioning equipment.

In addition to the above, investigations were made, and written reports filed, of all accidents resulting in loss of life or serious injury to persons or damage to property in excess of \$5,000.00.

FIGURE NO. 46

RAILROAD CLASSES I & II
OPERATING REVENUES, EXPENSES AND RATIOS
(North Carolina Data Only)
For the Years 1960, 1967 through 1970

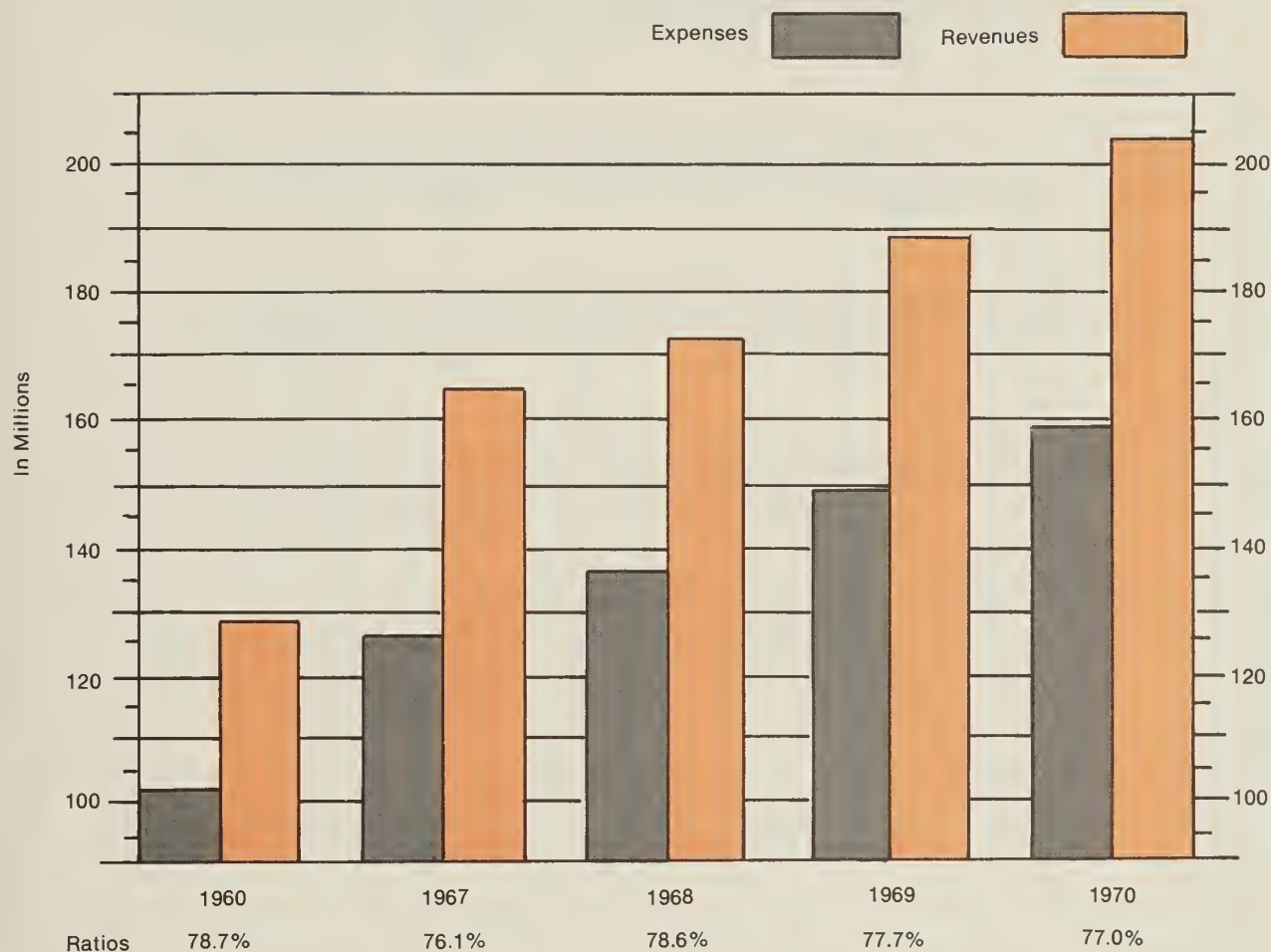


FIGURE NO. 47

TONS (2,000 LBS.) OF REVENUE FREIGHT BY COMMODITY TYPE
ORIGINATING WITHIN THE STATE OF NORTH CAROLINA
ON THE CLASS I AND II RAILROADS UNDER REGULATION
Data for the Years 1960, 1967 through 1970

GROUP AND COMMODITY	TONS OF REVENUE FREIGHT ORIGINATING IN STATE					PERCENT CHANGE MORE (LESS)		
	1960	1967	1968	1969	1970	1968 1967	1969 1968	1970 1969
GROUP I—Products of Agriculture	766,183	1,870,942	1,913,024	1,789,477	2,124,708	36.4	(6.5)	18.7
GROUP II—Animals and Products	36,318	10,181	19,191	26,566	22,024	77.5	38.4	(17.1)
GROUP III—Products of Mines	4,903,639	5,393,735	5,195,140	5,801,669	5,775,899	(3.7)	11.7	(.4)
GROUP IV—Products of Forests	3,646,664	5,017,298	3,816,841	5,872,607	6,402,705	(23.9)	53.9	9.0
GROUP V—Manufacturers & Misc.	4,294,405	7,431,850	8,710,251	8,320,997	8,832,489	17.2	(4.5)	6.1
GROUP VI—Forwarder Traffic	N. Apl.	N. Apl.	N. Apl.	N. Apl.	N. Apl.	N. Apl.	N. Apl.	N. Apl.
GROUP VIII—All Less than Carload Freight (LCL)	91,761	13,572	6,913	7,879	7,009	(49.1)	14.0	(11.0)
Total for All Groups	13,738,970	19,738,208	19,661,360	21,819,195	23,164,834	(.4)	11.0	6.2

FIGURE NO. 48

RAILROADS—CLASS I AND II
SUMMARY OF SELECTED DATA—INCOME, EXPENSES, BALANCE SHEET AND STATISTICAL ITEMS
For the Calendar Years 1960, and 1967 through 1970
All Railroads Under Regulation Included in this Data

Items	ALLOCATION OF DATA	CLASS I (\$5,000,000 or More—Operating Revenues)					% Change More (Less) 1969 to 1970
		1960	1967	1968	1969	1970	
No. of Companies Covered by Data	N. C.	8	7	7	6	6	
Income & Expense Items (in 000's)	Total	\$120,401	\$154,684	\$161,232	\$179,723	\$192,795	7.3
Operating Revenues (000's)	N. C.	1,083,951	1,659,739	1,766,675	1,930,233	2,072,069	7.3
Operating Expenses ¹ (000's)	Total	95,518	118,703	128,100	141,419	150,734	6.6
Net Revenues from Railway Operations (000's)	N. C.	866,136	1,223,029	1,300,710	1,411,727	1,536,621	8.8
Operating Ratio (Percent)	Total	24,883	35,981	33,132	38,304	42,061	9.8
Fixed Charges (000's)	N. C.	217,815	436,710	465,965	518,506	535,448	3.3
Net Income (000's)	Total	79.3%	76.7%	79.4%	78.7%	78.2%	(.1)
State Income Taxes (000's)	N. C.	48,233	100,064	105,584	114,699	123,631	1.5
Real Estate & Personal Property Taxes (000's)	Total	128,663	160,526	144,912	166,993	182,430	7.8
Other N. C. Taxes ² (000's)	N. C.	NA	528	517	511	370	(27.6)
TOTAL TAX ACCRUALS	N. C.	NA	2,729	2,113	3,020	3,036	.5
Balance Sheet Items (in 000's)	N. C.	NA	2,254	3,105	2,211	2,625	18.7
Net Book Value—Transportation Property	Total	NA	5,511	5,735	5,742	6,031	5.0
	Total	\$2,873,588	\$4,232,190	\$4,260,766	\$4,432,904	\$4,597,303	(4.5)
Statistics:							3.7
Average Mileage of Road Operated	N. C.	3,722	3,742	3,714	3,701	3,705	.1
Freight Revenue (in 000's)	Total	25,434	29,978	29,567	29,844	29,873	.1
Tons of Freight Revenue Hauled (000's)	N. C.	\$104,098	\$140,858	\$148,828	\$166,544	\$181,027	8.7
Freight Revenue Per Ton	Total	958,647	1,541,639	\$1,662,909	\$1,884,892	\$1,972,758	4.7
Gallons Diesel Fuel Purchased or Used	N. C.	63,636	103,426	100,422	103,294	107,529	4.1
Passenger Revenue	Total	348,481	535,830	539,123	555,923	559,173	.6
Passengers Hauled	N. C.	\$1,64	\$1.36	\$1.48	\$1.61	\$1.68	4.3
Revenue Per Passenger	Total	\$2.75	\$2.88	\$3.08	\$3.39	\$3.53	4.1
No. of Employees Allocated	N. C.	41,614,294	56,630,961	54,435,486	56,629,325	59,518,297	5.1
Total Compensation of Employees	N. C.	\$8,794,565	\$6,536,470	\$6,258,166	\$5,860,360	\$4,674,672	(20.2)
Average Annual Compensation Per Employee	N. C.	2,009,385	1,489,378	1,337,009	1,159,889	927,705	(20.0)
Highway-Railroad Grade Crossings	N. C.	\$4.38	\$4.39	\$4.68	\$5.05	\$5.04	(.2)
No. Killed—Grade Crossing Accidents	N. C.	9,978	7,390	7,098	7,020	6,926	(1.3)
No. Injured—Grade Crossing Accidents	N. C.	\$56,258,447	\$57,917,738	\$59,326,875	\$63,130,499	\$66,378,170	5.1
	N. C.	\$5,163	\$7,837	\$8,358	\$8,993	\$9,584	6.6
	N. C.	3,779	3,452	3,436	3,492	3,498	.2
	N. C.	NA	41	47	35	39	11.4
	N. C.	NA	160	157	146	175	19.9

NA Not Available.

¹ Before Tax Accruals and Net Rents.² Includes Federal taxes.

FIGURE NO. 48—Continued

RAILROADS—CLASS I AND II
SUMMARY OF SELECTED DATA—INCOME, EXPENSES, BALANCE SHEET AND STATISTICAL ITEMS
For the Calendar Years 1960, and 1967 through 1970
All Railroads Under Regulation Included in this Data

Item	ALLOCATION OF DATA	CLASS II* (Less than \$5,000,000 Operating Revenues)					% Change More (Less) 1969 to 1970
		1960	1967	1966	1969	1970	
No. of Companies Covered by Data		21	20	20	18	17	
Income & Expense Items (in 000's)	N. C.	\$7,104	\$9,142	\$9,813	\$10,264	\$11,603	13.0
Operating Revenues (000)	Total	9,913	12,252	13,357	14,136	16,371	15.8
Operating Expenses (000)	N. C.	4,771	5,905	6,269	6,196	6,630	7.0
Net Revenues from Railway Operations (000)	Total	6,888	8,301	9,311	8,957	9,862	10.1
Operating Ratio (Percent)	N. C.	2,333	3,237	3,544	4,068	4,973	22.2
	Total	3,025	3,951	4,046	5,179	6,509	25.7
	N. C.	67.2%	64.6%	63.9%	60.4%	57.1%	(3.3)
	Total	69.5%	67.8%	69.7%	63.4%	60.2%	(3.2)
Fixed Charges (000)	Total	485	698	797	932	1,227	31.7
Net Income (000)	Total	(211)	491	67	1,091	1,758	61.1
State Income Taxes (000)	N. C.	NA	74	117	102	129	26.5
Real Estate & Personal Property Taxes (000)	N. C.	NA	126	114	124	122	(1.6)
Other N. C. Taxes (000)	N. C.	NA	484 ³	616 ³	735	870	18.4
TOTAL TAX ACCRUALS	N. C.	NA	684	847	961	1,121	16.6
	Total	NA	1,078	1,542	1,769	1,950	10.2
Balance Sheet Items (in 000's)							
Net Book Value—Transportation Property	Total	\$11,797	\$21,428	\$20,067	\$21,533	22,007	2.2
Statistics:							
Average Mileage of Road Operated	N. C.	697	693	693	553	635	14.8
Freight Revenue (in 000's)	Total	1,037	1,003	1,003	770	945	22.7
Tons of Freight Revenue Hauled (000)	N. C.	\$6,930	\$8,803	\$9,443	\$10,025	\$11,442	14.1
Freight Revenue Per Ton	Total	7,348	10,761	\$12,823	\$13,635	\$15,830	16.1
	N. C.	9,009	12,830	10,879	8,319	11,155	34.1
	Total	\$1.08	\$1.08	\$1.08	\$1.08	\$1.08	(14.9)
	N. C.	\$1.08	\$1.08	\$1.08	\$1.08	\$1.08	(14.9)
	Total	1,285,794	2,188,751	2,008,056	1,980,154	2,271,278	14.7
Gallons Diesel Fuel Purchased or Used	N. C.	1,714	378	NA	NA	NA	NA
Passenger Revenue	N. C.	3,334	809	NA	NA	NA	NA
Passengers Hauled	N. C.	51	47	NA	NA	NA	NA
Revenue Per Passenger	N. C.	599	472	476	429	414	(3.5)
No. of Employees Allocated	N. C.	\$2,513,665	\$2,882,710	\$2,923,508	\$2,897,477	\$3,089,481	6.6
Total Compensation of Employees	N. C.	\$3,529	\$5,216	\$6,142	\$6,754	\$7,463	10.5
Average Annual Compensation Per Employee	N. C.	640 ³	962	972	887	864	(2.6)
Highway-Railroad Grade Crossings	N. C.	NA	3	—	—	—	—
No. Killed—Grade Crossing Accidents	N. C.	NA	3	—	—	—	—
No. Injured—Grade Crossing Accidents	N. C.	NA	15	28	11	8	(27.3)

NA Not Available.

¹ Before Tax Accruals and Net Rents

² Includes Federal Taxes.

³ All Class II Railroads did not report.

* All Class II Railroads except two are wholly intrastate.

FIGURE NO. 48—Continued

RAILROAD—CLASS I AND II
SUMMARY OF SELECTED DATA—INCOME, EXPENSES, BALANCE SHEET AND STATISTICAL ITEMS
For the Calendar Years 1960, and 1967 through 1970
All Railroads Under Regulation Included in this Data

Item	ALLOCATION OF DATA	1960	1967	Grand Totals Class I and II*	1969	1970	% Change More (Less) 1969 to 1970
No. of Companies Covered by Data		29	27	27	24	23	
Income & Expense Items (in 000's)							
Operating Revenues (000)	N. C.	127,505	163,826	171,045	189,987	\$204,398	7.6
	Total	1,093,864	1,671,991	1,780,032	1,944,369	2,088,440	7.4
Operating Expenses (000) ¹	N. C.	100,289	124,608	134,369	147,615	157,364	6.6
	Total	873,024	1,231,330	1,310,021	1,420,884	1,546,483	8.9
Net Revenues From Railway Operations (000)	N. C.	27,216	39,218	36,676	42,372	47,034	11.0
	Total	220,840	440,661	470,011	523,685	541,957	3.5
Operating Ratio (Percent)	N. C.	78.7%	76.1%	78.6%	77.7%	77.0%	(.9)
	Total	79.8%	73.6%	73.6%	73.1%	74.1%	1.4
Fixed Charges (000)	Total	48,718	100,762	106,631	115,631	124,858	8.0
Net Income (000)	Total	128,452	161,017	144,979	168,084	184,188	9.6
State Income Taxes (000)	N. C.	NA	602	634	613	499	(18.6)
Real Estate & Personal Property Taxes (000)	N. C.	NA	2,855	2,227	3,144	3,158	.4
Other N. C. Taxes (000) ²	N. C.	NA	2,273	3,721	2,946	3,494	18.6
TOTAL TAX ACCRUALS	N. C.	NA	5,730	6,582	6,703	7,151	6.7
	Total	NA	134,262	154,448	181,387	173,425	(4.4)
Balance Sheet Items (in 000's)							
Net Book Value—Transportation Property	Total	2,885,385	4,253,618	4,280,833	4,454,437	4,619,310	3.7
Statistics:							
Average Mileage of Road Operated	N. C.	4,419	4,435	4,407	4,254	4,340	2.0
	Total	26,471	30,981	30,570	30,614	30,818	.7
Freight Revenue (000)	N. C.	\$111,028	\$149,661	\$158,271	\$176,569	\$192,469	9.0
	Total	\$968,343	\$1,553,433	\$1,675,732	\$1,898,527	\$1,988,588	4.7
Tons of Freight Revenue Hauled (000)	N. C.	70,984	114,187	111,301	111,613	118,684	6.3
	Total	357,490	548,657	552,379	566,457	572,617	1.1
Freight Revenue Per Ton	N. C.	\$1.56	\$1.30	\$1.42	\$1.58	\$1.62	2.5
	Total	\$2.71	\$2.83	\$3.03	\$3.35	\$3.47	3.6
Gallons Diesel Fuel Purchased or Used	N. C.	42,900,088	58,819,712	56,443,542	58,609,479	61,789,575	5.4
Passenger Revenue	N. C.	8,796,279	6,914,848	6,258,166	5,860,360	4,674,672	(20.2)
Passengers Hauled	N. C.	2,012,719	1,490,187	1,337,009	1,159,889	927,705	(20.0)
Revenue Per Passenger	N. C.	\$4.37	\$4.65	\$4.68	\$5.05	\$5.04	(.2)
No. of Employees Allocated	N. C.	10,577	7,862	7,574	7,449	7,340	(1.5)
Total Compensation of Employees	N. C.	\$58,772,112	\$60,800,448	\$62,250,383	\$66,027,976	\$69,467,651	5.2
Average Annual Compensation Per Employee	N. C.	\$5,557	\$7,733	\$8,219	\$8,864	\$9,464	6.8
Highway-Railroad Grade Crossings	N. C.	4,414	4,414	4,408	4,853	4,768	(1.8)
No. Killed—Grade Crossing Accidents	N. C.	NA	44	47	35	39	11.4
No. Injured—Grade Crossing Accidents	N. C.	NA	175	185	157	183	16.6

NA Not Available.

¹ Before Tax Accruals and Net Rents.² Includes Federal Taxes.³ All Class II Railroads did not report.

* All Class II Railroads, except two, are wholly intrastate.



VII. Water And Sewer Companies

FIGURE NO. 49

WATER AND SEWER SYSTEMS CERTIFICATES OF CONVENIENCE AND NECESSITY GRANTED DURING 1970

Company	Date of Order	Docket & Sub No.	Type Service	General Service Area	Initial No. of Customers or Lots to be served
A. F. & F. Co., Inc.	11-23-70	W-283	Water	Eastwood Forest Subdivision (Mecklenburg and Union Counties)	164 Lots
Colony Park Utilities Co.	1-27-70	W-208, Sub 1	Sewer	Hunters Woods Subdivision (Durham County)	25
Cregg Bess, Inc.	11-30-70	W-281	Water	Craig Gardens Subdivision (Gaston County)	55 Lots
Brentwood Water Co.	3-25-70	W-267	Water	Brentwood Subdivision (Edgecombe County)	38
Cape Fear Utilities, Inc.	7-27-70	W-279	Water	Marquis Hills Subdivision (New Hanover County)	NA
Ralph L. Falls	1-13-70	W-268	Water	Alan Acres subdivision (Gaston County)	30
G. F. Company	10-28-70	W-271	Water/Sewer	Grandfather Lodge Condominiums (Avery County)	32
John R. Gamble, Jr.	10-27-70	W-286	Water	Newcastle Subdivision (Lincoln County)	5
Heater Utilities, Inc.	10-5-70	W-274, Sub 3	Water	Whispering Pines Subdivision (Orange County)	122 Lots
Heater Utilities, Inc.	7-29-70	W-274	Water	Ossipee, N. C. (Alamance County)	109
Lassiter and Harkey Well Drilling Co., Inc.	8-28-70	W-238, Sub 2	Water	Two-Point Community Subdivision (Mecklenburg County)	12
Park Utility Co.	10-13-70	S-6	Sewer	Crystal Park Subdivision (Cumberland County)	400
James D. Patterson	11-25-70	W-276	Water	Maria Park Subdivision (Gaston County)	25 Lots
Piedmont Construction & Water Co.	2-19-70	W-262	Water	Suburban Acres Subdivision (Iredell County)	NA
Piedmont Construction & Water Co.	2-19-70	W-262, Sub 1	Water	Chiply Park Subdivision (Iredell County)	50
Piedmont Construction & Water Co.	7-1-70	W-262, Sub 2	Water	Green Acres Subdivision (Iredell County)	NA
Clyde L. Propst Water Supply	12-11-70	W-291	Water	Whit-Fry Heights Subdivision (Catawba County)	26 Lots
Quality Water Suppliers, Inc.	5-5-70	W-225, Sub 9	Water	Hickory Knoll Subdivision (New Hanover County)	NA
Sedgefield Realty Co.	10-6-70	W-299	Water	Park Place Subdivision (Gaston County)	45
Touch & Flow Water Systems	9-23-70	W-201, Sub 7	Water	Royal Acres Subdivision (Wake County)	31
W. A. Weston	11-9-70	W-285	Water	Fairview Wooded Acres Subdivision (Wake County)	40

WATER AND SEWER SERVICES

During the year 1970, seven (7) new companies were granted certificates, with nine (9) cancellations, thereby decreasing the total number of regulated water and sewer companies in operation at December 31, 1970 to 154. Fourteen (14) certificates were enlarged to serve additional subdivisions in 1970. For comparative purposes, there were twelve (12) completely new water and sewer companies granted certificates in 1969, with no cancellations, for a total of 156.

Those persons or companies selling water to less than twenty-five (25) residential customers were, by statute, exempted from regulation. However, the 1971 N. C. General Assembly passed legislation, effective October 15, 1971, modifying the definition of a public utility to include anyone furnishing water for compensation to ten (10) or more residential customers.

New water or sewer companies generally are not formed as independent profit-making ventures; rather, they generally come into existence by capitalization from the developers of subdivisions who must arrange for central systems to enhance the market for their land and houses. Sometimes these new companies are adjoining or near municipalities with some likelihood that the city will encompass the area in the future and provide municipal water and sewer service in the subdivision. Most of the applications for new water utility franchises are being stimulated by an FHA requirement that community water systems securing FHA approved housing be regulated public utilities, or FHA would withhold FHA guarantees for home loans.

Prior to issuing a Certificate of Public Convenience and Necessity to a water company, the Commission, among other things, requires complete cost and rate data, approval of system design and sources of supply by appropriate health authorities, and financial qualifications. Customer complaints are investigated and settled informally, or if necessary, resolved through public hearings.

The major water utility problems currently requiring the greatest amount of attention by the Commission are: poor water quality, inadequate water storage capacity, and insufficient record keeping.

STATISTICAL SUMMARY DATA

Of the 154 water and sewer companies under regulation as of December 31, 1970 only 27 have operations large enough and records in sufficient detail to permit any useful comparative data to be

developed. The financial and statistical data for these 27 companies is shown in summary form in Figure No. 50. Most of the analysis that follows is based on data of the 27 companies grouped as follows:

- 10 Class C Companies—\$50,000 and over annual operative revenues
- 11 Class D Companies—\$10,000 to \$50,000 annual gross operating revenues
- 6 Companies with \$3,000 to \$10,000 annual gross operating revenues

During 1970 about 7.2% of the hearings before the Commission involved water and sewer companies, and a large volume of staff work was required in their regulation. The water and sewer companies serve only about 44,000 customers. Of 154 companies regulated, 123 have 200 or less customers each while only eight (8) have as many as 1,000 customers. Lafayette Water Corp., located in Fayetteville, North Carolina and serving thirteen (13) subdivisions in Cumberland County had more customers (3,785) than any other regulated water company as of December 31, 1970. Duke Power Company was second largest with 3,349 customers located in the towns of Rutherfordton, Spindale, and Ruth in Rutherford County.

Average use of water per residential customer per month for the 27 companies for which data has been compiled was 6,175 gallons at an average monthly cost of \$4.90.

Gross plant investment for the 27 selected water and sewer companies increased by 3.5% to \$10,148,099 in 1970 over 1969. Operating revenues increased by 12.9% in 1970 over 1969 while operating expenses increased by 11.9%. This relationship caused the operating ratio to decrease from 95.9% to 95.0% in 1970 and resulted in an increase in net operating revenues for the 27 companies of 36.7% or \$18,196.

See Figure No. 50 for additional financial and statistical data for the 27 largest regulated water and sewer companies.

Due to the numerous changes in classification of the 27 selected water and sewer companies since 1965 (based on yearly gross operating revenues), the 1970 financial data was prepared and all previous years were reconstructed on the same basis so as to arrive at a basis for comparison. Consequently, some amounts and percentages shown in Figure 50 in previous Statistical And Analytical Reports will not agree with figures shown in this publication.

FIGURE NO. 50

WATER AND SEWER COMPANIES
Summary of Selected Financial and Statistical Data
of 27 Water Companies of Various Sizes Operating in North Carolina
Data For The Calendar Years 1965-1970

	1960	1964	1965	1966	1967	1968	1969	1970	% Increase (Decrease) 1970 over 1969
TOTAL (ALL CLASSES)									
Total Companies Regulated	94	106	117	126	132	144	156	154	
Total Companies Included in this Data	34	34	27	27	27	27	27	27	
Income Items:									
Operating Revenues	\$ 685,377	\$1,053,938	\$ 762,322	\$ 866,553	\$1,003,598	\$1,113,229	\$1,206,866	\$1,362,637	12.9
Expense Items:									
Operations and Maintenance	\$ 419,048	\$ 624,141	\$ 432,045	\$ 484,727	\$ 556,878	\$ 645,220	\$ 761,208	\$ 834,168	9.6
Depreciation and Amortization	108,100	197,140	186,148	216,999	233,980	249,934	246,673	272,495	10.5
Taxes Other Than Income Taxes	66,263	90,429	68,092	75,271	84,939	94,869	113,051	137,386	21.5
Federal Income Taxes	19,746	54,205	35,408	34,909	25,873	31,478	29,786	41,846	40.5
State Income Taxes	3,979	15,677	6,386	3,804	9,203	9,184	6,566	8,964	36.5
Total Operating Expenses	\$ 617,136	\$ 981,592	\$ 728,079	\$ 815,710	\$ 910,873	\$1,030,685	\$1,157,284	\$1,294,859	11.9
Net Operating Revenues	\$ 68,241	\$ 72,326	\$ 34,243	\$ 50,843	\$ 92,725	\$ 82,544	\$ 49,582	\$ 67,778	36.7
Operating Ratio (Total Operating Expense to Total Operating Revenues)	90.0%	93.1%	95.5%	94.1%	90.8%	92.6%	95.9%	95.0%	(.1)
Balance Sheet Items:									
Utility Plant in Service (Gross)	\$4,776,583	\$7,148,451	\$6,260,333	\$7,082,439	\$7,742,893	\$8,651,293	\$9,802,915	\$10,148,099	3.5
Depreciation & Amortization (Accumulative) ..	1,583,953	2,243,170	1,626,066	1,933,977	2,161,754	2,412,833	2,340,891	2,423,894	3.5
Utility Plant in Service (Net)	3,192,630	4,905,281	4,634,267	5,148,462	5,581,139	6,238,460	7,462,024	7,724,205	3.5
Statistics:									
Customers—Year End (Residential)	NA	NA	9,636	10,748	11,525	12,634	13,298	13,956	4.9
Customers—Year End (All Classes)	14,166	18,814	13,066	14,162	14,957	16,131	16,846	17,572	4.3
Average Gallons of Water Used per Residential Customer (Year End Count)	54,977 S/a	62,880 S/a	73,545 S/a	75,365 S/a	75,338 S/a	81,325 S/a	80,010 S/a	86,178 S/a	7.7
Average Annual Revenue per Residential Customer (Year End Count)	38.66 S/a	56.29 S/a	46.81 S/a	48.84 S/a	57.08 S/a	57.89 S/a	58.18 S/a	61.07 S/a	5.0
Gross Plant Investment per Customer*	337.19 W/a	379.95 W/a	479.13 W/a	500.10 W/a	523.20 W/a	541.86 W/a	581.91 W/a	577.52 W/a	(.8)

A Reflects Companies whose Annual Reports to Commission contain adequate data for items used in this figure.

NA Not Available

W/a Weighted Average

S/a Simple Average

Data shown in previous reports was for small water companies only (\$3,000 to \$10,000 annual operating revenues).



VIII. Investigations And Inspections



INVESTIGATIONS AND INSPECTIONS

G.S. 62-227 of the Public Utilities Act of 1963, which became effective January 1, 1964, vested the transportation inspectors and special investigators employed by the Commission with the same enforcement and police powers as members of the State Highway Patrol in enforcing provisions of the law applicable to motor transportation as they relate to the functions of the Utilities Commission. The Commission has nine (9) inspectors domiciled throughout the state.

During 1968, 1969 and 1970, these inspectors made investigations or inspections and traveled as shown on Figure No. 51.

The inspection of buses for required safety standards has been more exacting since January 1, 1964 than previously and, when buses are inspected, the companies are required to make such repairs as are necessary for safety of operations. All infractions of safety rules on equipment discovered during the process of inspection are reported to the Commission. During 1969 and 1970, there were 713 and 707 buses respectively which failed to pass the equipment and safety factor inspections performed

by Commission personnel. Of the above failures there were 72 in 1969 and 95 in 1970 that resulted in the buses being grounded while the remaining failures were corrected on the spot. Bus stations and rail stations are inspected for sanitation and passenger comfort. Each station inspected is graded, and a report is made to the Commission. During 1969 twenty-one (21) bus stations failed to obtain a passing mark of 85%, while all railroads passed. In 1970, twenty-seven (27) bus stations failed to obtain a passing mark, while all railroads passed. Thousands of vehicles of the certified motor freight carriers were checked for equipment safety factors and for general compliance with Commission rules. During 1969 there were 3,302 minor violations detected and corrected, and in 1970 there were 7,227. The inspection program has contributed much in establishing the excellent safety record of motor carriers in North Carolina.

During 1970 the inspectors and investigators served 55 show cause orders on interstate motor freight carriers for various causes, as compared with 40 issued in 1969.

FIGURE NO. 51

SUMMARY OF INVESTIGATION AND INSPECTION
FOR THE CALENDAR YEARS 1968, 1969 and 1970

Items and Major Reason for Investigations & Inspections	Number of Items Investigated or Inspected			Number Passed			Number Failed*			Number Grounded			Number Violations		
	1968	1969	1970	1968	1969	1970	1968	1969	1970	1968	1969	1970	1968	1969	1970
Stations—For Adequacy & Sanitation:															
Bus	1,592	1,400	1,276	1,582	1,379	1,249	10	21	27						
Railroad	607	577	563	606	577	563	1	0	0						
Buses—Equipment & Safety Factors	6,531	5,734	4,025	6,106	5,093	3,318	425	713	707	104	72	95	976	1,364	
Trucks—Equipment, Safety Factors & Compliance with Rules	9,199	12,745	15,491	8,789	11,409	13,168	410	1,336	2,323			510	760	3,302	7,227
Freight Terminals—Compliance with Rules ..	431	363	648												
Complaints by Competitors, Consuming Public & Commission Initiated Probes	1968	1969	1970	Total Miles Traveled by Investigators & Inspectors:											
Bus Companies	93	59	67	By Bus											
Truck Companies	390	237	229	By Railway											
Railroads	58	73	65	By Car											
Telephone Companies	0	0	0	Total											
Taxicab Companies	0	0	0												
Other (Gas, Water, Electric, etc.)	1	17	24												
Accidents	38	0	0												
Household & Furniture Movers	10	0	0												
Accuracy & Methods of Quoting Schedules ..	149	125	122												
Show Cause Orders Served:	186	40	55												

* Includes number of Buses placed Out of Service and grounded.

IX. Securities, Audits And Annual Reports



FIGURE NO. 52

FINANCIAL AND ACCOUNTING MATTERS—SECURITY ISSUES—NEW CAPITAL
For the Calendar Year 1970

NAME OF COMPANY	DOCKET NO.	DATE OF ORDER	TOTAL AMOUNT AUTHORIZED	STATED INTEREST RATE OR OFFERING PRICE	COMMON STOCK	PREFERRED STOCK	BONDS & DEBENTURES	REA & OTHER LONG-TERM NOTES
ELECTRIC:								
Carolina Power & Light Co.	E-2, Sub 194	5-25-70	\$ 50,000,000	8¾ %			\$ 50,000,000	
Carolina Power & Light Co.	E-2, Sub 197	9-21-70	1,250,000	\$24.00	1,250,000	350,000		
Carolina Power & Light Co.	E-2, Sub 198	12-14-70	350,000	9.5%			65,000,000	
Carolina Power & Light Co.	E-2, Sub 199	12-14-70	65,000,000	7¾ %			75,000,000	
Duke Power Co.	E-7, Sub 119	1-12-70	77,500,000	\$24.875-8½ %	2,500,000	600,000	100,000,000	
Duke Power Co.	E-7, Sub 122	7-13-70	100,600,000	97% %		350,000	85,000,000	
Virginia Electric & Power Co.	E-22, Sub 117	7-20-70	85,350,000	87% %	3,750,000	1,300,000	375,000,000	
TOTALS			380,050,000					
GAS:								
N. C. Natural Gas Corp.	G-21, Sub 58	11-9-70	68,750	\$5.00	68,750*			
Piedmont Natural Gas, Inc.	G-9, Sub 79	5-25-70	100,000	\$50	100,000		11,000,000	
Piedmont Natural Gas, Inc.	G-9, Sub 80	6-15-70	11,000,000	10¼ %				
Public Service Co. of N. C., Inc.	G-5, Sub 75	9-14-70	3,840,000	8%		3,840,000	7,000,000	
Public Service Co. of N. C., Inc.	G-5, Sub 76	12-7-70	7,000,000	97% %	75,000	1,000,000		
United Cities Gas Co.	G-1, Sub 29	6-15-70	1,075,000	\$8.00-10¾ %			18,000,000	
TOTALS			23,083,750		243,750	4,840,000		
TELEPHONES:								
Carolina Telephone & Telegraph Co. ...	P-7, Sub 504	8-31-70	25,000,000	9.75%			25,000,000	
Central Telephone Co.	P-10, Sub 293	6-1-70	750,000	\$20.00	750,000		30,000,000	
Central Telephone Co.	P-10, Sub 298	9-8-70	30,000,000	9¼ %		(Non-voting)		
Concord Telephone Co.	P-16, Sub 98	4-13-70	930,000	\$80.00	930,000		14,000,000	
General Telephone Co. of the S.E.	P-19, Sub 109	3-9-70	17,000,000	\$25.00-10.0%	3,000,000			
General Telephone Co. of the S.E.	P-19, Sub 116	8-24-70	11,000,000	\$25.00	11,000,000	210,000		\$540,000
Lexington Telephone Co.	P-31, Sub 84	8-3-70	210,000	10.0%				
Mebane Home Telephone Co.	P-35, Sub 52	4-20-70	540,000	2.0%			1,376,000	
Norfolk & Carolina Tel. & Tel. Co.	P-40, Sub 106	7-7-70	1,376,000	9.0%	2,750,000		3,750,000	
United Tel. Co. of the Carolinas, Inc. ...	P-9, Sub 101	1-26-70	6,500,000	\$25.00-9.5%		500,000	1,000,000	
Westco Telephone Co.	P-78, Sub 20	5-4-70	1,500,000	10.5%				
Westco Telephone Co.	P-78, Sub 21	5-18-70	500,000	\$5.00	500,000		2,500,000	
Western Carolina Telephone Co.	P-58, Sub 77	5-18-70	2,500,000	9.5%	1,700,000			
TOTALS			99,506,000	\$5.00	20,630,000	710,000	77,626,000	540,000
MISCELLANEOUS:								
Quality Water Supplies, Inc.	W-225, Sub 10	9-28-70	75,000	9.0%				75,000
GRAND TOTALS			\$502,714,750		24,623,750	6,850,000	470,626,000	\$615,000

* Employee Stock Option issue.

SECURITIES, AUDITS AND ANNUAL REPORTS

SECURITIES ISSUES

The Commission approved twenty-seven (27) applications for the issuance of electric, gas, telephone and water securities during 1970. These applications covered securities totaling \$502,714,750, of which 93.6% were bonds and debentures. This is comparable to 1969, when twenty-two (22) applications for securities were approved, totaling \$370,002,696.

The Division of Accounts processes these applications and reports their findings to the full Commission. Consideration is given to the present and projected earning position of the company, the effect of the projected issue on the company's capital structure, expense of the issue, estimated net yield, probable market price per unit, the purpose of the issue and the use to which the proceeds are to be applied, whether the issue is within corporate authority of the applicant, and whether the issue is compatible with the overall public interest.

The new capital raised through the sale of securities is primarily for the replacement of short term borrowings which have been largely applied in utility plant expansion and modernization and improvement of existing plant to meet increased demands for additional and improved service. Figure No. 52 shows detailed data for each securities issue in 1970.

AUDITS

In addition to processing and advising the Commission upon application for approval of securities issues, the Division of Accounts, at the direction of

the Commission, performs extensive field audits of the operations of public utilities. The results of each of these audits are typed and bound into a permanent report giving the Division of Account's findings, exhibits, and recommendations. The Commission requires a field audit of any company making application for a substantial increase in all, or a portion of its rates. A brief summary of audits and special studies for 1970 follows:

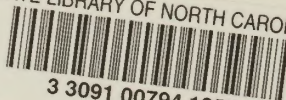
Type of Utility	Number of Examinations
Electric	2
Telephone	6
Water & Sewer	8
Gas	4
Total	20

ANNUAL REPORTS

For the year 1970, there were 1,016 utilities required to file annual reports of their operations with the Commission. This number included 82 non-regulated municipal utility systems. Except for the reports of the 23 railroad companies (which were processed administratively by the Division of Traffic and Rail Transportation) the Commission's Division of Accounts prepared, distributed, and processed these reports. All completed and returned annual reports were given detailed examination. Condensed data for each report was compiled in book form for use by the Commission.

The annual report required to be filed with the Commission of the municipalities are prepared on forms furnished them by the Commission.

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